OVERVIEW

Who We Are

We are a leader in intelligent control, evidenced by our global leadership in LCD controller boards. We also hold a leading position in the global commercial display industry with established market leadership in IFPDs for both education and enterprise collaboration applications.

- ***Global leader in education IFPDs***: In 2025, our *seewo*-branded education IFPDs accounted for 17.0% of the global market by revenue, ranking first worldwide, according to Frost & Sullivan.
- ***Global leader in conference IFPDs:*** In 2025, our *MAXHUB*-branded conference IFPDs accounted for 25.0% of the Chinese market by revenue, ranking first in Chinese Mainland, and 8.7% of the global market by revenue, ranking second worldwide, according to Frost & Sullivan.
- ***Global leader in LCD controller boards***: In 2025, we held a 24.4% share of the global LCD controller board market by shipment volume, ranking first worldwide, according to Frost & Sullivan. In 2025, we served as the supplier of LCD controller boards to nine of the world's top ten television brands ranked by shipment volume in the same year, according to Frost & Sullivan.

We started from LCD controller boards and have since expanded into the broader market of intelligent control components, addressing a wide range of use cases with high growth potential, including household appliances (white goods), automotives, energy storage, as well as robotics components.

At the same time, we have established an ecosystem encompassing intelligent terminals and use-case specific solutions, offering a portfolio of commercial display products and systems, AV equipment and systems, computing solutions, and other related hardware and domain-specific AI-powered software solutions designed around key application scenarios, particularly in education and enterprise collaboration. Going forward, we are well positioned to capitalize on growth opportunities driven by the digital transformation of education, while further expanding our enterprise collaboration solutions beyond traditional meeting scenarios to broader enterprise environments and diversified industries, including manufacturing, telecom, finance, media and new retail.

Our Evolution

We began our journey in 2005, specializing in LCD controller boards for integration into televisions, monitors and other displays. We subsequently achieved a technological breakthrough by launching the industry's first "three-in-one" LCD controller board solution (which integrates the power module, display control and backlight driver into a single board), significantly enhancing production efficiency and reducing manufacturing costs of our customers. Through innovation and customer service, we have become a leader by shipment volume in this product category, according to Frost & Sullivan.

Leveraging our expertise in display technologies, we identified an opportunity to innovate how people learn and collaborate through display solutions. In 2009, we launched our *seewo* brand, introducing the first IFPD product designed for the educational market in China. By 2012, *seewo* had become the leading IFPD brand for education in Chinese Mainland by revenue, according to Frost & Sullivan.

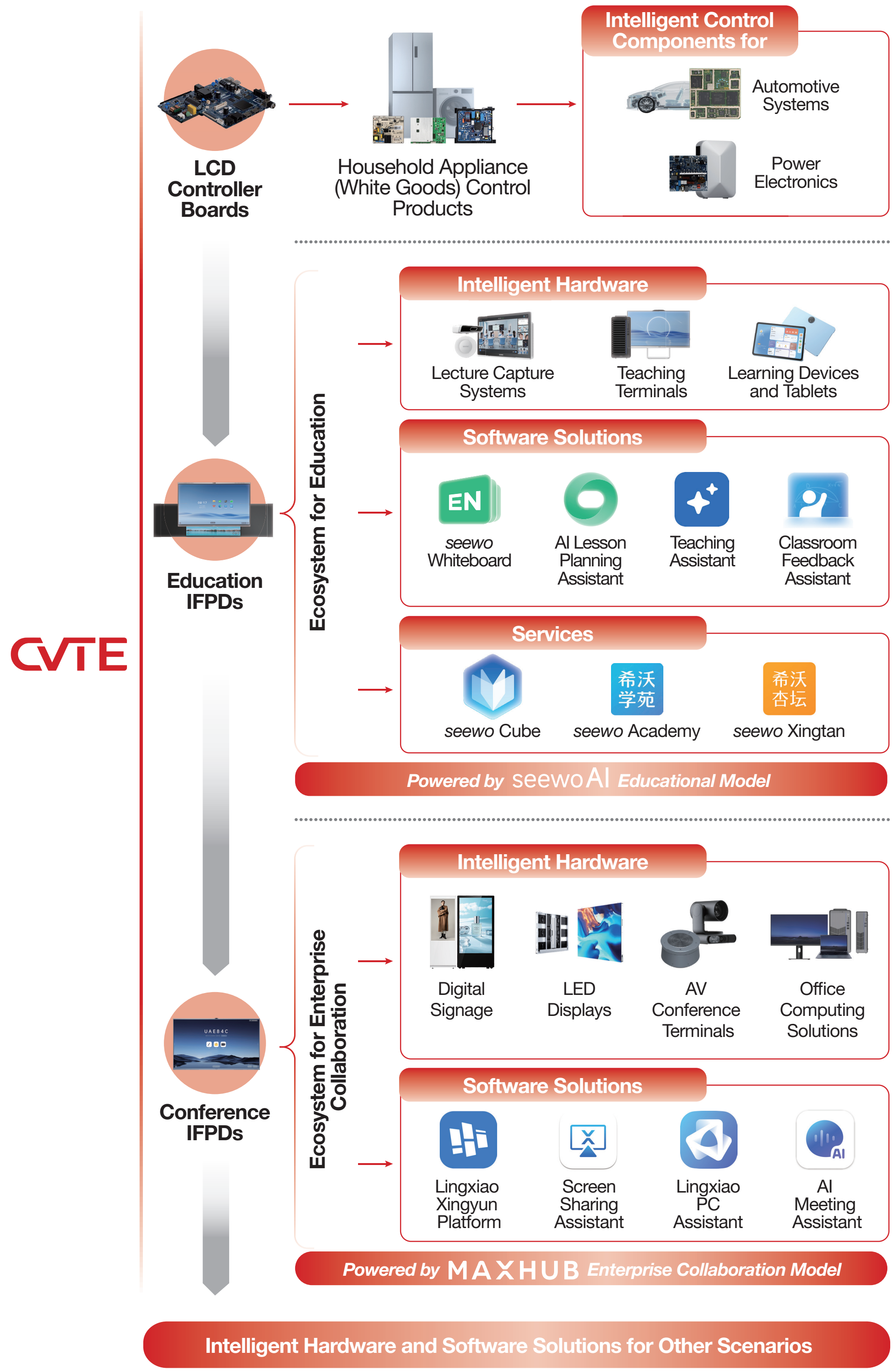
In 2017, capitalizing on emerging market opportunities, we expanded into the enterprise segment with the launch of the *MAXHUB* brand, offering IFPDs tailored for corporate environment to enhance communication, productivity, and collaboration. As one of the first-movers in this product category, *MAXHUB* has been the leading conference IFPD brand in Chinese Mainland by revenue for years, according to Frost & Sullivan.

In 2018, we began to place greater emphasis on driving sales of our intelligent devices and solutions, such as IFPDs, in overseas markets. In 2023, we achieved a key milestone in our international growth by entering into collaboration with Microsoft Teams.

To address a wide range of use cases with high growth potential in the broader market of intelligent control components, we ventured into the market of household appliance (white goods) control components. By 2021, we have developed a large and growing portfolio of key customers, fueling the fast growth of this product category. As of the Latest Practicable Date, our products were adopted by all of the top five global white goods brands in terms of revenue in 2025, according to Frost & Sullivan.

In 2023, we took a major step toward building integrated intelligent devices and solutions ecosystems for education and enterprise collaboration by launching our domain-specific multimodal LLMs, the *seewo* educational model and the *MAXHUB* enterprise collaboration model, which power a suite of tailored software solutions.

The following diagram illustrates our products and solutions.



Our Growth Opportunities

Intelligent devices and solutions

We believe that the adoption level of digital education solutions remains relatively low in many overseas markets, indicating significant untapped potential. In addition, the broad trend of utilizing AI-powered tools in education is expected to propel the adoption of IFPD and AV equipment as part of digital education solutions. The global market size for education IFPDs is projected to grow at a CAGR of 6.2% from RMB20.6 billion in 2025 to RMB27.8 billion in 2030. Additionally, the global market size for commercial AV equipment in the education sector is projected to grow from RMB90.5 billion in 2025 to RMB112.8 billion in 2030, maintaining a CAGR of 4.5%.

We have introduced our education IFPD and AV products in markets such as the United States, Europe, the Middle East, India, and Southeast Asia, where we have established market presence. As global demand for digital education and smart learning environments continues to grow, we expect broader adoption of our intelligent educational solutions across international markets.

In the enterprise sector, rising demand for smarter, more flexible, and diversified meeting solutions is reshaping the global enterprise collaboration landscape. The global market size for conference IFPDs is projected to grow at a CAGR of 3.3% from RMB9.2 billion in 2025 to RMB10.8 billion in 2030. Additionally, the global market size for AV equipment for enterprise collaboration is projected to grow from RMB414.4 billion in 2025 to RMB470.3 billion by 2030, maintaining a CAGR of 2.6%.

In response to these trends, we have developed a portfolio of products tailored to a wide range of enterprise applications, including meetings, presentations, and collaborative work environments. Our offerings provide flexible, scalable, and integrated solutions for corporate users. Through strategic collaborations with global partners, including Microsoft Teams, we are positioned to further strengthen our presence in the international enterprise collaboration market.

At the same time, we are expanding our enterprise collaboration solutions beyond traditional meeting environments, extending them into broader corporate settings and diverse sectors, including manufacturing, telecom, finance, media and new retail.

Intelligent control components

The LCD controller board market, as a mature segment of the display control industry, is expected to remain stable in the coming years. Looking ahead, we see growth opportunities for our intelligent control components from high-potential sectors such as household appliances (white goods), automotives, energy storage, and robotics components.

The household appliance (white goods) industry is rapidly evolving toward intelligent functionality, driving increased demand for intelligent control components. The global market size for intelligent control components in household appliances (white goods) is projected to grow at a CAGR of 7.2% from RMB132.4 billion in 2025 to reach RMB187.5 billion in 2030. Leveraging our expertise in algorithms, acoustics, thermodynamics, and radio frequency technologies, we provide high-reliability, cost-effective components such as variable frequency drive ("**VFD**") controller, intelligent display modules, and human-machine interaction ("**HMI**") solutions. These have been widely adopted in refrigerators, washing machines, air-conditioners, kitchen appliances, and small household appliances by leading global brands.

In the automotive sector, the ongoing shift toward electrification and smart technologies is driving growth in the global automotive electronics market. The global market size for intelligent control components in automotive electronics is expected to grow at a CAGR of 7.2% from RMB1,122.2 billion in 2025 to RMB1,591.0 billion in 2030. Leveraging our technological strengths in haptics, AV and thermal management, we have developed automotive electronic components, including cockpit control modules, lighting systems, and audio amplifiers, adopted by several automotive brands.

In addition, global demand for high-efficiency, green energy technologies continues to rise, supported by favorable policy trends, which, in turn, drives demand for power electronics components. The global market size for power electronics components is projected to grow at a CAGR of 3.2% from RMB263.8 billion in 2025 to RMB308.4 billion in 2030. We focus on key components for uninterruptible power supplies ("**UPS**") systems, inverters, and server power supplies, delivering safe, efficient energy solutions to customers.

OUR COMPETITIVE STRENGTHS

Leading Position in Commercial Displays for Education and Enterprise Collaboration with Vast Growth Potential, Powered by Integrated, AI-Enabled Hardware-Software-Service Ecosystems

We are the global leader in commercial displays for education and enterprise collaboration markets. Each of our *seewo* brand and our *MAXHUB* brand has established a leading position in education and enterprise collaboration, respectively. Our solutions go beyond display hardware to offer integrated intelligent display and collaboration ecosystems, comprising a portfolio of commercial display products and systems, related hardware, domain-specific AI-powered software solutions, and services.

Through comprehensive ecosystems centered around our IFPD products, we provide intelligent and diversified product solutions that drive digital transformation and enhance organizational efficiency. The highlights of our ecosystems for education and enterprise collaboration include:

Education

- *seewo*-branded IFPDs and devices: In 2025, our *seewo*-branded education IFPDs accounted for 49.3% of the market in Chinese Mainland and 17.0% of the global market by revenue, ranking first both domestically and globally, according to Frost & Sullivan. Based on our sales volume as of March 31, 2026, we estimate our *seewo* IFPDs have been installed in 3.0 million classrooms across more than 200,000 schools in China. As part of the ecosystem, our learning devices and tablets have enabled digital learning experience in over one million households as of March 31, 2026.
- *seewo* intelligent lecture capture system: Powered by our proprietary audio-visual technologies, this system supports hybrid teaching models (online and offline) and addresses the needs of both real-time instruction and distance learning. According to Frost & Sullivan, our system held a 30.0% share of Chinese Mainland's educational recording market in terms of revenue in 2025, ranking first in the industry for the fourth consecutive year.
- *seewo* Whiteboard: the *seewo* whiteboard is a one-stop interactive platform for K12 educators, integrating functions, among others, lesson planning and interactive teaching, which enhances teaching efficiency and boosts innovation. Approximately 1.7 billion sets of member-owned teaching materials were generated by the active users on the platform as of March 31, 2026.
- *seewo* AI Lesson Planning Assistant: an AI-driven tool specifically designed to support teachers in instructional planning, optimize teaching strategies, and generate interactive teaching materials efficiently. As of March 31, 2026, the *seewo* AI Lesson Planning Assistant had supported the creation of approximately 2.0 million lesson plans, significantly reducing the average time spent by teachers on such task. As reported by People's Daily Online in April 2025, it became 50% more efficient for teachers using our product in Xuhui District, Shanghai to prepare lesson plans.

- *seewo* Classroom Feedback Assistant: a system that facilitates real-time classroom teaching data collection and analysis, providing immediate post-class feedback on teaching effectiveness, thereby supporting both teacher self-evaluation and administrative performance assessment. As reported by People's Daily Online in April 2025, the *seewo* Classroom Feedback Assistant facilitated the digital transformation of educational administration in Xuhui District, Shanghai. For example, its feedbacks on 12 quantitative indicators, designed to enable data-driven insights, have been integrated into approximately 75% of teacher performance evaluations.

Enterprise Collaboration

- *MAXHUB*-branded IFPDs: In 2025, our *MAXHUB*-branded conference IFPDs accounted for 8.7% of the global market by revenue, according to Frost & Sullivan.
- *MAXHUB* AI Meeting Assistant: the *MAXHUB* AI Meeting Assistant combines speech recognition and natural language processing to boost meeting efficiency and automate content management. Key features include one-click recording, real-time transcription, speaker identification, smart summaries, and intelligent Q&A. Fully integrated with *MAXHUB* devices, it supports a range of meeting scenarios from conference rooms to personal devices helping users build personal knowledge systems and enabling a smarter, more productive office environment.

Leader in Intelligent Control and LCD Controller Boards Positioned to Capture Growth in the Broader Control Components Market for White Goods, Automotive Electronics and Power Electronics

We are the global leader in LCD controller boards, continuously driving technological advancement within the industry.

In 2025, we held a 24.4% share of the global LCD controller board market by shipment volume, ranking first worldwide, according to Frost & Sullivan. We are a key supplier to many of the world's leading consumer electronics brands. As of March 31, 2026, our LCD controller boards had been accepted by more than 30 consumer electronics brands. In 2025, we served as the supplier of LCD controller boards to nine of the world's top ten television brands ranked by shipment volume in the same year, according to Frost & Sullivan, demonstrating our deep industry expertise and strong customer relationships.

Building on our success in display control technologies, we have expanded into household appliances (white goods). Notably, our household appliance (white goods) control components portfolio has grown to include a variety of high-reliability and cost-effective components, such as VFD controllers, intelligent display modules, and HMI solutions. Sales of this product category recorded a CAGR of over 60% from 2022 to 2024, reaching RMB1,722.2 million in 2024. As of the Latest Practicable Date, our products were adopted by all of the top five global white goods brands in terms of revenue in 2025, according to Frost & Sullivan.

Additionally, we offer a variety of in-vehicle electronics components, which have been adopted by several automotive brands. In the power electronics sector, we focus on the development of core components for products such as UPS systems, charging station modules, inverters, and server power supplies, delivering safe, efficient system solutions to customers worldwide.

Expertise in AI Intelligent Interactive Display Technologies, Enabled by a R&D System Driving Continuous Innovation

We place a strong emphasis on technological advancement and maintain a long-term commitment to R&D. We have established a technology platform that integrates artificial intelligence and interactive display technologies. Built on this foundation, we have achieved a leading technological edge in both artificial intelligence and key interactive display technologies including display, tactile sensing (haptic), connectivity, audio and video.

Artificial Intelligence

We have developed two domain-specific multimodal LLMs, leveraging third-party general-purpose LLMs: the *seewo* educational model and the *MAXHUB* enterprise collaboration model. These models power a suite of tailored software solutions that address the diverse needs of stakeholders in the education and enterprise sectors. As of March 31, 2026, we have been granted over 130 AI-related patents.

- The *seewo* educational model is finetuned on over 220 billion tokens of domain-specific content, including lesson plans, teaching materials and class videos. Leveraging multimodal perception and understanding, it supports diverse input formats, text, images, and video, to intelligently facilitate the entire educational lifecycle, from lesson preparation and instruction to student learning, assessment, research, and administrative tasks.
- The *MAXHUB* enterprise collaboration model is optimized for corporate meeting scenarios. To address the challenges of long-context understanding, it incorporates an innovative context-aware reasoning strategy, significantly improving the efficiency of key capabilities such as meeting summarization and task generation.

Intelligent Interactive Display Technologies

Our intelligent interactive display technologies are underpinned by AI-enabled algorithmic innovations that drive exceptional performance.

- *Display*: we possess industry-leading capabilities in hardware design and algorithm optimization. We have achieved breakthroughs in ultra-high-definition ("**UHD**") display, optics, materials, and simulation, enabling us to quickly respond to 4K/8K UHD, Mini LED TV solutions and AI-based image enhancement trends. For example, our advanced local dimming algorithms and color calibration models ensure UHD displays achieve imperceptible color variation ($\Delta E \leq 1$), while optical simulation algorithms optimize light efficiency and viewing angles. We have also led the formulation of several industry standards, including the technical specifications for IFPD touch technologies.
- *Haptics*: we continue to innovate across AI-based touch algorithms, application software, circuit systems, materials, and manufacturing processes, to enhance user touch experience in various application scenarios. For example, we have achieved high-precision capacitive touch sensing with 440+ channels, supporting 3mm hard-tip passive styluses with enhanced scratch resistance; LiDAR-based touch integration in LED all-in-one displays, enabling intuitive gesture-based interaction; and vibration-based haptic feedback in laptop touchpads, delivering cost-effective, full-area press functionality.
- *Connectivity*: we pioneered in-display antenna and concealed slit antenna technologies, integrating ultrasonic, Wi-Fi, bluetooth, and local network protocols to enable stable, multi-channel screen casting and device interconnectivity.
- *Video and audio*: our strength lies in full-stack algorithm development tailored for real-world performance. We apply spatial awareness, scene-adaptive imaging, super-resolution, noise reduction, HDR, and multi-speaker tracking algorithms to deliver intelligent, immersive visual experiences. Our audio systems incorporate a number of advanced algorithms, including AI-enhanced beamforming, noise suppression, echo cancellation, and multi-source localization algorithms to ensure clear, context-aware sound capture and playback. Additionally, we developed a multi-focus hybrid zoom solution and an industry-first 8K multi-camera wide-angle system for education, significantly enhancing AV quality and smart scenario applications.

We are also actively enhancing our technological capabilities in motor control and power electronics to support the development of intelligent control components for mechatronics, automotive systems, power electronics, and key robotics applications.

Our proprietary mechatronic control algorithms are a key technology enabling intelligent functionalities in household appliances (white goods). Furthermore, leveraging our core competencies in AV systems, touch interaction, and thermal management, we provide high-performance and cost-effective solutions including cockpit control modules, lighting systems, and audio amplifiers to automotive brands.

We are also strengthening our R&D in advanced robotics technologies. Since 2020, we have adopted a modular development approach for key robotics components, including chassis task modules, motion control systems, and integrated motor and control units. We are actively exploring commercial applications in various scenarios for robotics components.

R&D System

We have established a cross-functional R&D team operating under a rolling, multi-party collaborative innovation framework.

As of March 31, 2026, our R&D team comprised 2,965 members, accounting for approximately 46.7% of our total workforce. Our engineers, drawn from diverse technical disciplines, participate in regular internal knowledge-sharing sessions, referred to as "Tech Days," to exchange insights and foster interdisciplinary collaboration. This approach promotes the integration of multiple perspectives, often resulting in technically robust and holistically optimized solutions.

We follow a synchronized and forward-looking R&D framework known as the "Three Institutes and One Postdoctoral Workstation" model, operating under a rolling mechanism of "pre-research one generation, develop one generation, commercialize one generation."

- The Central Research Institute focuses on cutting-edge AI and software technologies. (i) The Central Engineering Institute leads advancements in core hardware technologies. (ii) The Innovation Design Institute is responsible for optimizing user experience and system integration. (iii) The Postdoctoral Workstation conducts foundational and exploratory research in emerging technologies.

Integrated Global Supply Chain Underpinned by Standardized Operations

Our supply chain network is globally distributed and strategically positioned to serve local markets. In select markets, we have established localized assembly capabilities to ensure a stable and responsive global supply of products and services. Our resilient and flexible supply chain infrastructure enables us to meet customer demand across geographies with consistent quality, stable costs, and rapid responsiveness, while maintaining agility in the face of evolving global trade policies.

We have established rigorous standard operating procedures ("**SOPs**") for manufacturing our products to support the implementation of globally consistent and standardized production systems. In 2024, we launched a smart manufacturing facility that not only supplements our production capacity, but also serves as a demonstration hub for continued research, process optimization, and technology standardization. Our demonstration production lines share SOPs with our network of global manufacturing partners, enabling efficient knowledge transfer and execution under a "local prototyping, global production" model.

To digitalize our supply chain operations, we have developed a suite of efficient, end-to-end collaboration tools on a highly digitalized supply chain collaboration platform. Our platform enables unified online supplier management and real-time production monitoring through automated equipment and digital systems, allowing for timely issue resolution and enhanced operational efficiency.

Locally Adapted Sales Strategies Delivering Intelligent Devices and Solutions to the World

We have established a comprehensive, multi-tiered sales network across China, while continuously expanding our overseas sales channels and localized after-sales service networks. As of March 31, 2026, we operated a distribution network covering all provinces, autonomous regions and municipalities in Chinese Mainland, comprising over 7,000 distributors. Through this network, we have established relationships with more than 200,000 schools across China and reached a total of over 19,000 enterprise customers, as of the same date.

Thanks to our success in China and long-term market insights and sales experience in international markets, we have adopted a localized strategy to enter markets across different regions globally, delivering our intelligent devices and solutions tailored for education and enterprise collaboration to the world. As of March 31, 2026, our products and solutions centered around IFPDs have been sold to over 100 countries and regions, forming stable partnerships with more than 100 brand customers.

We have launched our education IFPD products in overseas markets and achieved a leading market position. In 2024, we delivered over 600,000 IFPDs to overseas markets. According to Frost & Sullivan, our IFPDs for the educational market accounted for 30.9% of the overseas market by sales volume, ranking first worldwide, in 2025. Leveraging our product portfolio, industry-leading interactive display technologies, and globally integrated supply chain network, we have partnered with over 100 internationally recognized brands as of March 31, 2026. Our products were procured by six of the world's top ten interactive hardware brands (excluding our brand, *seewo*) in the space of educational technology ("**EdTech**") in 2025 in terms of revenue, according to Frost & Sullivan. By integrating with local supply chains in various countries and regions, we have successfully expanded our presence in the global EdTech hardware market, while also offering localized technical support and after-sales services. As part of our commitment to advancing digital transformation of education, we maintain close engagement with public sector stakeholders and educational organizations to promote our intelligent devices and solutions in local markets and support the development of digital education infrastructure. For example, we have collaborated with education authorities in Thailand and Indonesia to deploy smart classroom solutions in selected schools in both countries. Additionally, we collaborate with the UNESCO Higher Education Innovation Centre to provide smart classroom solutions to universities in various countries and share our insights about digital transformation of education worldwide.

Our conference IFPD products have obtained certifications from Microsoft Teams and Zoom, enabling us to address the growing demand in the global commercial display market by offering enterprise users enhanced compatibility. In particular, we have established a partnership with Microsoft, jointly launching several Microsoft Teams-certified hardware solutions. We are also the only manufacturer in Chinese Mainland, authorized to support our brand partners in obtaining Microsoft Teams certification, according to Frost & Sullivan. In addition, we have partnered with Microsoft Azure to improve data processing and transmission efficiency, and have integrated OpenAI services in our products to develop AI-enhanced collaboration solutions tailored to overseas enterprise markets.

Forward-Thinking Management Team and a Shared Culture

We are led by a seasoned management team with industry experience and strategic acumen. Our founding team, with an average of over 20 years of sector experience, has demonstrated the ability to identify and capitalize on market opportunities, driving our Company's growth across different stages and establishing a leading market position in various domains. Their long-standing collaboration, spanning over 20 years, has contributed to exceptional organizational stability and has been instrumental in our Company's rapid development.

Our founders are committed to aligning corporate growth with employee development and well-being. They have cultivated a corporate culture that emphasizes innovation, collaboration, and continuous improvement, fostering a dynamic and inclusive environment for talent development.

To support internal innovation and business diversification, we have established an open internal venture platform that encourages employee-led entrepreneurship within our Group. The platform offers resource support and allows employees to share in the value they create. This mechanism has facilitated the expansion of our business portfolio, attracted high-caliber professionals, and strengthened the institutional foundation for multi-business collaboration.

We have implemented comprehensive employee equity incentive plans, benefiting thousands of grantees cumulatively. Together with a range of performance-based incentive measures, this plan has effectively enhanced employee motivation, supported talent retention, and driven the rapid development of new business initiatives.

OUR STRATEGIES

Strengthen R&D Capabilities to Solidify Technological Leadership and Develop Emerging Technologies

We intend to increase investment in fundamental research to enhance our core technological strengths, with a focus on artificial intelligence and interactive display technologies. In particular, we aim to advance six key domains: intelligence, display, haptics, connectivity, audio, and video. Our R&D efforts in AI will focus on advancing multimodal capabilities, lightweight large model and on-device deployment, intelligent AI agents, as well as next-generation interactive display and audio and video technologies. We aim to leverage on our technology advancements to strengthen the performance of our products and expand our product portfolio to capture high potential sectors.

In particular, building upon our long-term investment in core technologies and component-level innovation, we will continue to strengthen our capabilities in electromechanical control systems, including algorithm optimization and frequency drive technologies.

Optimize and Expand Our Intelligent Display and Collaboration Ecosystems to Meet Diverse Customer Needs across Multiple Scenarios, including Education and Enterprise Collaboration in Global Markets

We are committed to continuously enriching our product offerings in commercial display products and systems, AV equipment and systems, computing solutions and related hardware, as well as domain-specific AI-powered software solutions. We will actively pursue global market opportunities with this growing portfolio. In the education sector, we aim to strengthen our market position in the United States and Europe, while accelerating our strategic expansion into emerging markets such as the Middle East, Southeast Asia and India. These regions present significant opportunities due to the growing demand for educational digitalization and low market penetration. In the enterprise collaboration sector, we intend to enhance our global competitiveness and market share by expanding penetration of *MAXHUB* branded-products among overseas and multinational enterprise customers. This will be supported by our collaboration with leading international platforms such as Microsoft Teams.

We plan to deepen the integration of AI technologies across our intelligent devices and solutions to enhance user experience and operational efficiency. In line with national policies promoting the digital transformation of the education sector, we will further integrate AI capabilities into our intelligent education devices and solutions. Furthermore, we will broaden the application of AI in enterprise collaboration scenarios to improve efficiency and intelligence across multiple use cases.

We will remain focused on diversifying application scenarios and strengthening our presence across various industries. In the education sector, we aim to extend our solutions from in-school teaching environments to at-home learning scenarios, building a seamless and consistent learning experience. In enterprise collaboration sector, we plan to extend our product applications beyond traditional meeting scenarios to broader enterprise environments, including office spaces, exhibitions, and outdoor displays.

Advance Innovation in Intelligent Control Components and Solutions for New Growth Areas to Broaden Market Presence and Product Offerings

We will continue to solidify our leadership position in the LCD controller board market. In addition, we intend to expand our presence in high-growth sectors by advancing innovation in intelligent control components and integrated solutions.

- *Household appliances (white goods)*: In response to increasing demand for intelligent and AI-enabled household appliances (white goods), we will continue to broaden our product portfolio and deepen our customer base in the household appliance (white goods) control components sector.
- *Automotives*: Capitalizing on opportunities in intelligence and electrification for the automotive industry, we aim to provide a comprehensive suite of intelligent control components for various applications to automotive customers, including smart cockpit systems, and automotive lighting components, as well as in-car audio and video technologies.
- *Energy Storage*: In the energy storage sector, we plan to offer more products under key categories such as UPS systems, charging station modules, inverters, and server power systems.
- *Robotics Components*: We will also continue to drive the development of complete robotic systems and core functional modules, targeting physical intelligent robots, industrial automation and other high-potential verticals.

Drive Digital Transformation to Enhance Management Efficiency and Advance Smart Manufacturing

We will continue to enhance our smart manufacturing capabilities by applying digital technologies in the development of next-generation products and product technologies, reinforcing our position as an industry leader in innovation.

We will further strengthen centralized management of customer data and sales processes, enabling us to gain deeper insights into customer preferences and feedback. By collaborating closely with domestic and international distributors, we aim to implement more efficient, data-driven, and tailored sales strategies for each market. In addition, we will upgrade our digital sales platforms to dynamically optimize resource allocation, scheduling, and responsiveness to market changes.

We will also accelerate the application of digital technologies across other core operational processes, including workflow optimization, information systems integration, supply chain management, and quality control. These efforts will support the continuous improvement of our operational efficiency.

Accelerate Growth through Strategic Investments and Acquisitions

We intend to pursue strategic investment and acquisition opportunities in both domestic and international markets, focusing on horizontal integration (for example, complementary product lines or peer companies). Our strategy includes investing in businesses that can expand and diversify our core product portfolio. These initiatives are designed to broaden our product offerings, strengthen our global market presence, and reinforce our technological capabilities.

OUR BUSINESS MODEL

We are a leader in intelligent control, evidenced by our global leadership in LCD controller boards. We also hold a leading position in the global commercial display industry with established market leadership in IFPDs for both education and enterprise collaboration applications. We deliver technologies that redefine communication, collaboration, productivity and engagement across modern workplaces, learning, commercial and public environments.

We began our journey in 2005 from LCD controller boards, with a focus on the R&D of display control technologies for integration into televisions, monitors and other displays. Leveraging our expertise in display technologies, we identified an opportunity to innovate how people learn and collaborate through display solutions. In 2009, we launched our *seewo* brand, introducing the first IFPD product designed for the educational market in China. Our products transform classroom engagement by enabling dynamic content delivery and interactive learning experiences. Building on this success, we expanded into the enterprise segment with the launch of the *MAXHUB* brand in 2017, offering IFPDs tailored for corporate environment to enhance communication, productivity, and collaboration applications.

Today, we have expanded beyond LCD controller boards into the broader market of intelligent control components, addressing a wide range of use cases, including household appliances (white goods), automotive systems, and power electronics. At the same time, we are advancing towards integrated intelligent display and collaboration ecosystems, offering a portfolio of commercial display products and systems, related hardware, domain-specific AI-powered software solutions, and services designed around key application scenarios, particularly in education and enterprise collaboration.

We sell our products through a combination of direct sales and a global distributor network, covering over 100 countries and regions. Our intelligent control components are primarily sold directly to end customers and through intermediaries, while intelligent devices and solutions, such as IFPDs, are primarily distributed through third-party distributors. Domestically, our commercial display products and solutions are mainly marketed under *seewo* and *MAXHUB* brands, catering to the education and enterprise collaboration sectors, respectively. We market our products under *MAXHUB* brand and leverage the ODM model to reach a broader customer base in overseas markets. Under our ODM model, we manufacture products in our self-owned smart manufacturing facility or provide the product design, as well as the components and materials, to our manufacturing partners, who handle production. The finished products are then branded and sold by our customers under their own names.

We research and develop our products in-house and primarily engage specialized third-party partner factories around the world to produce them according to our proprietary designs and standard operating procedures ("**SOPs**"). To enhance our supply chain resilience and operational efficiency, we have established a smart manufacturing facility. This facility is capable of supporting the entire product lifecycle, including customer demand analysis, product R&D, pilot testing, mass production, and global shipment. In addition to fulfilling customer orders, the facility serves as a central hub for refining, testing, and finalizing product SOPs, which are then implemented across our global manufacturing partners, reinforcing our "local prototyping, global production" model that accelerates time-to-market while ensuring consistent product quality and operational scalability worldwide.

OUR PRODUCTS AND SOLUTIONS

We mainly offer two categories of products and solutions: (i) intelligent devices and solutions, primarily including commercial display products and systems, office and industrial computing solutions, and AV equipment and systems; and (ii) intelligent control components, which primarily include LCD controller boards and household appliance (white goods) control components. The following table shows a breakdown of our revenue by products and solutions for the years/periods presented.

	Year Ended December 31,						Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)									
							(Unaudited)			
Intelligent devices and solutions										
Commercial display products and systems	9,202,680	45.6	9,298,321	41.5	8,108,339	33.3	1,663,576	33.1	1,563,162	25.2
Office and industrial computing solutions.	526,806	2.6	824,708	3.7	1,504,432	6.2	250,064	5.0	343,851	5.5
AV equipment and systems	428,835	2.1	535,538	2.4	609,934	2.5	83,590	1.7	130,823	2.1
Others(1)	996,265	4.9	968,318	4.3	1,362,752	5.6	319,693	6.4	394,300	6.4
Subtotal	11,154,586	55.2	11,626,885	51.9	11,585,457	47.6	2,316,923	46.2	2,432,136	39.2
Intelligent control components										
LCD controller boards	5,927,808	29.4	6,628,552	29.6	7,030,931	28.9	1,389,619	27.8	2,077,240	33.5
Household appliance (white goods) control components	1,039,747	5.2	1,722,238	7.7	2,514,739	10.3	679,493	13.6	778,385	12.5
Others(2)	1,567,485	7.8	1,922,834	8.6	2,662,430	10.9	498,902	10.0	786,031	12.7
Subtotal	8,535,040	42.4	10,273,624	45.9	12,208,100	50.1	2,568,014	51.4	3,641,656	58.7
Software and other services(3)	483,011	2.4	500,673	2.2	560,327	2.3	119,662	2.4	129,373	2.1
Total	**20,172,637**	**100.0**	**22,401,182**	**100.0**	**24,353,884**	**100.0**	**5,004,599**	**100.0**	**6,203,165**	**100.0**

Notes:

(1) Primarily include revenue generated from learning devices and tablets.

(2) Primarily include revenue generated from automotive electronics control components and power electronics control components.

(3) Primarily include revenue generated from software services, testing and after-sales services.

Sales volume and Average selling price

The table below sets forth the sales volume and average selling price of our products for the years/periods indicated.

	Year Ended December 31,						Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	Sales Volume	Average Selling Price(1)	Sales Volume	Average Selling Price(1)	Sales Volume	Average Selling Price(1)	Sales Volume	Average Selling Price(1)	Sales Volume	Average Selling Price(1)
	(Unit'000)	*(RMB)*	*(Unit'000)*	*(RMB)*	*(Unit'000)*	*(RMB)*	*(Unit'000)*	*(RMB)*	*(Unit'000)*	*(RMB)*
Intelligent devices and solutions										
Commercial display products and systems	1,571	5,858.1	1,716	5,419.8	1,315	6,164.4	267	6,238.7	275	5,683.8
Office and industrial computing solutions	138	3,816.2	283	2,909.4	523	2,875.7	85	2,940.8	123	2,793.7
AV equipment and systems	52	8,313.1	78	6,831.1	86	7,071.8	14	6,062.5	22	5,964.1
Others(2)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Intelligent control components										
LCD controller boards	68,602	86.4	88,520	74.9	91,020	77.3	18,759	74.1	21,388	97.1
Household appliance (white goods) control components	14,256	72.9	27,851	61.8	44,219	56.9	12,083	56.2	13,277	58.6
Others(3)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Software and other services(4)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

(1) Calculated through dividing revenue by the relevant sales volume in the same year, as stated in the tables above.

(2) Primarily include revenue generated from learning devices and tablets, which cannot be meaningfully aggregated and quantified in terms of units for calculating sales volume and average selling price as this category consists of multiple distinct product types.

(3) Primarily include revenue generated from automotive electronics control components and power electronics control components, which cannot be meaningfully aggregated and quantified in terms of units for calculating sales volume and average selling price as this category consists of multiple distinct product types.

(4) Primarily include revenue generated from software services, testing and after-sales services.

Intelligent Devices and Solutions

We offer a range of intelligent devices and solutions that primarily include commercial display products and systems, office and industrial computing solutions, and AV equipment and systems. Our products currently are mainly focused on China's education sector.

Commercial display products and systems

IFPDs

IFPD is a smart all-in-one device that combines a high-resolution display, responsive touch controls, and rich multimedia capabilities, using advanced technologies such as multimodal interaction (touch, voice, and visual recognition), artificial intelligence, and cloud computing. Our IFPDs are purpose-built for diverse use cases and designed to engage audiences, connect teams, and enhance collaboration in both educational and professional environments. The prices of our main IFPDs ranged from approximately RMB5,000 to RMB7,700 in 2024.

Education IFPDs

We offer education IFPDs under our *seewo* brand in domestic market, and primarily through ODM model in overseas markets. Our range of education IFPDs includes our latest *seewo* IFPD 7 and our *seewo* Smart Blackboard 7. Our products are available in different sizes from 55 inches to 110 inches, designed to suit various educational environments, from standard classrooms to lecture halls and auditoriums.

***seewo* IFPD 7** is our latest generation education IFPD and has specifically been designed to harness the power of AI in enhancing teaching and learning experiences. *seewo* IFPD 7 features a TÜV Rheinland-certified paper-like eye protection display, an intelligent quad-lens camera, and an 8-microphone array. With an integrated local computing module and the *seewo* educational model, it enables seamless teaching data collection and intelligent analysis when connected to our lecture capture system, empowering more efficient and data-driven instruction.

***seewo* Smart Blackboard 7** is our latest generation IFPD blackboard and has been fully optimized in audio-visual performance, display quality, interactive experience, and intelligent connectivity. It seamlessly combines traditional blackboard writing with advanced interactive features by integrating IFPD with traditional blackboard. Using high-precision infrared or capacitive touch technology, it accurately captures handwriting, delivering a natural writing experience alongside convenient digital storage.

***seewo* IFPD 7**

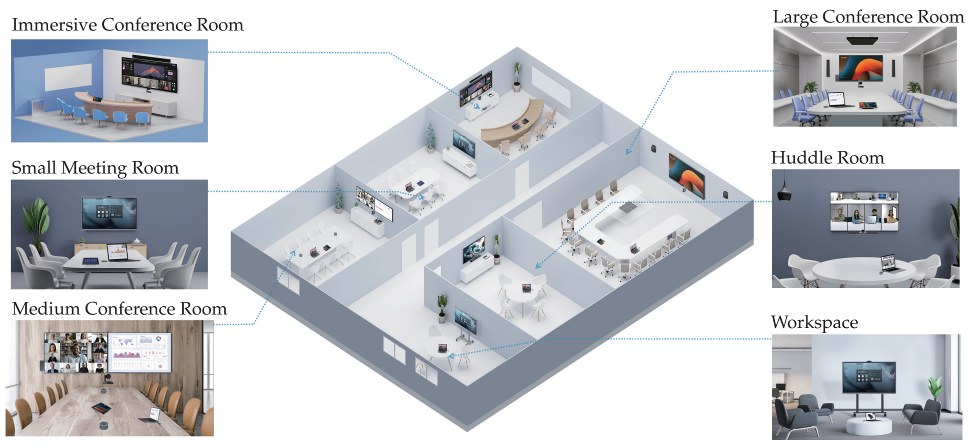
***seewo* Smart Blackboard 7**

Conference IFPDs

Our conference IFPDs, offered primarily under the *MAXHUB* brand, are designed to empower modern workplaces. They support screen sharing, interactive whiteboard writing, video conferencing, intelligent recording, and smart meeting summaries, and are available in sizes from 55 to 98 inches to suit diverse meeting room needs. Our product lineup includes our recently launched XBoard V7 Series, certified for Microsoft Teams, Zoom-certified V6 Classic Series, as well as additional series to meet diverse collaboration needs. Leveraging an integrated local computing module and the *MAXHUB* enterprise collaboration model, our conference IFPDs empower enterprise collaboration through improving meeting productivity and accelerating organizational knowledge accumulation.

XBoard V7 Series is the first Teams-certified IFPD with AI-powered Trident Lens system and Windows 11 IoT, providing an all-in-one solution for diverse spaces. The advanced Trident Lens system ensures clear room views and capturing participant expressions. Additionally, it supports Bring Your Own Meeting ("**BYOM**"), enabling users to host meetings directly from their own devices while utilizing XBoard's professional-grade audiovisual equipment for an exceptional meeting experience.

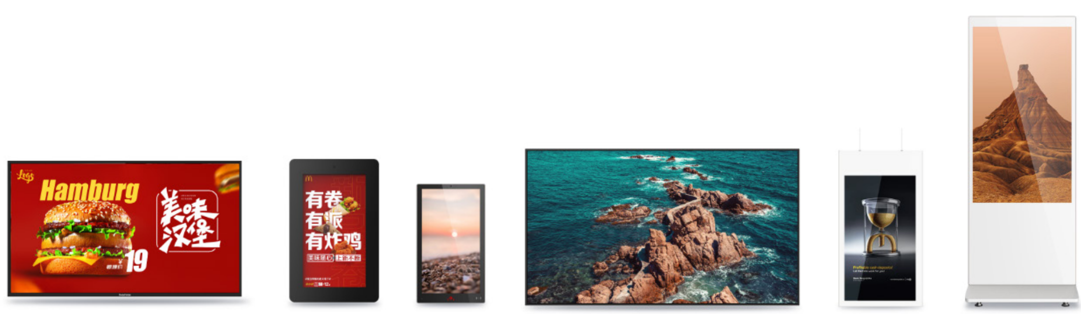
V6 Classic Series is a Zoom certified all-in-one IFPD. This BYOM ready device is pre-configured with Zoom Rooms to support Zoom Whiteboard with 10-point multi-touch functionality, annotation capabilities and Auto Framing — an intelligent feature that automatically adjusts the camera's field of view to frame participants optimally during a meeting.



Digital signage

Digital signage is transforming how information and advertising are delivered in public spaces, bringing content to life through dynamic, interactive, and customizable displays. Our product lineup includes cloud based signage, electronic menu boards, interactive signage, freestanding advertising displays, high brightness window screens, outdoor digital signage and splicing screens. Our solutions are powered by a proprietary cloud platform and content management system, enabling seamless, centralized control and real-time content distribution across multiple locations.

Our digital signage solutions have been adopted across industries such as manufacturing, telecom, finance, media and new retail, redefining the customer and audience experience.



LED displays

LED displays, powered by advanced LED technology, deliver exceptional brightness, long lifespan, high reliability, and energy efficiency, all while being environmentally friendly.

Our comprehensive LED display portfolio includes all-in-one displays ranging from 120 to 299 inches (including COB (chip on board) models from 135 to 216 inches), as well as a variety of specialized solutions such as indoor and outdoor LED walls, glasses-free 3D displays, and cinema-grade LED screens. These products are engineered to elevate visual experiences across a wide range of settings, including conference rooms, lecture halls, command centers, exhibition spaces, outdoor advertising, sports arenas, and movie theaters.

Notably, our all-in-one LED displays are equipped with a built-in display, audio and video conference system and a wide range of application, transforming any room into a versatile, interactive space that offers much more than just a display. According to Frost & Sullivan, our all-in-one LED displays held a 36.3% market share in Chinese Mainland by shipment volume in 2025.

Office and industrial computing solutions

Office computing solutions

Our office computing portfolio includes a wide range of products such as office computers, cloud desktop terminals, monitors, and smart office laptops. These offerings come in various form factors, including desktops, laptops, all-in-one PCs, and mini-PCs, supporting multiple chip platforms and operating systems to meet the diverse and personalized needs of users across education, government, and enterprise environments.

For the education sector, *seewo* has introduced a line of "teacher-friendly" computers — *seewo* teaching terminals — available in desktop, laptop, and all-in-one formats. Designed with teachers in mind, these devices support a variety of hardware platforms and systems and come pre-installed with proprietary AI-enabled software that enhances teaching efficiency. Integrated with *seewo* IFPDs, they provide a smooth, end-to-end experience from lesson planning to classroom delivery.

For government and enterprise users, *MAXHUB* offers a lineup of commercial office terminals designed to boost productivity and enhance the user experience. Available in multiple configurations, including desktops and laptops, *MAXHUB* devices support a range of chip platforms and operating systems. Driven by pre-installed AI-enabled software such as *MAXHUB* Lingxiao PC Assistant, they connect effortlessly with *MAXHUB* IFPDs to create a unified hardware ecosystem and also integrate with the *MAXHUB* Lingxiao Xingyun platform, helping organizations meet the growing demands of digital collaboration.

Industrial computing solutions

We offer industrial computing solutions under our *SPESTECH* brand. By focusing on the essential needs of industrial control applications in demanding industrial environments, the *SPESTECH* portfolio includes fanless embedded industrial PCs, expandable fanless industrial PCs, industrial monitor boards, industrial-grade tablets, industrial touch-screen displays, and network security devices. *SPESTECH* solutions are widely adopted across a range of industries, including photovoltaics, batteries, semiconductors and robotics components.

AV equipment and systems

Intelligent lecture capture system

Our intelligent lecture capture system integrates multi-angle cameras, omnidirectional microphones, a central recording hub, and specialized software. It supports automatic multi-screen switching, intelligent editing, and cloud-based storage. The system can output standardized, editable footage or publish-ready content, meeting the professional demands of teaching, research, and broadcasting scenarios.

Specifically designed for educational environments, the *seewo* lecture capture system offers a comprehensive range of solutions, including standard and premium recording classrooms, 4K mobile recording setups, as well as solutions for course production studios, virtual studios, labs and training rooms, as well as meeting rooms, training centers, virtual digital instructors, and digital twin campuses. It supports hybrid learning model that combines online and offline education, addressing diverse needs such as live streaming, high-quality lesson recording, remote interactive teaching, and online collaborative research. Used with *seewo* Classroom Feedback Assistant, the system can capture data for *seewo* Classroom Feedback Assistant to provide intelligent classroom feedback features, such as teaching behavior analysis and AI-generated instructional suggestions, enabling teachers to continuously enhance teaching quality and student learning outcomes.

AV conferencing terminals

Our AV conferencing terminals include local sound reinforcement solutions, video conferencing terminals, and related accessories.

Our newly developed, highly integrated digital network audio solution features an all-in-one digital network audio host that combines three core functions, audio pickup, mixing, and amplification. With just a single network cable, it enables seamless connectivity with microphones, speakers, and other devices, offering simplified deployment, easy configuration, and high operational efficiency for modern audio environments.

Our video conferencing terminals consist of all-in-one videobar units as well as modular solutions, including video conferencing hosts, professional-grade cameras, microphones, and speakers. Built on a robust hardware architecture and advanced algorithms, these systems deliver high-fidelity, low-latency real-time audio and video communication across distributed locations.

Our AV conferencing terminals support a full range of applications, including cloud conferencing based on scalable video coding ("**SVC**"), on-premises deployments, and hardware-based video conferencing using advanced video coding ("**AVC**"). They provide stable performance across various network environments and device types, and are compatible with multi-platform, multi-system software clients.

We have successfully obtained ecosystem certifications from leading domestic cloud conferencing platforms, including Tencent Meeting, DingTalk, and Feishu. At the same time, we are actively expanding our global ecosystem presence. In collaboration with Microsoft, we have developed multiple products certified for Microsoft Teams. Building on our modular Xcore Kit video conferencing terminal, we launched the UC BM45 omnidirectional microphone and the UC P30 camera in 2025.

Learning devices and tablets

To empower effective learning at home, we have launched three flagship series of smart learning devices, the W, V, and T series, thoughtfully designed to support students aged 3 to 18. Built on a foundation of advanced eye-care technology and AI capabilities, these devices are enhanced by unique features and rich educational resources. As of March 31, 2026, we offered three series of learning devices and tablets.

Each device boasts Class 3A paper-like display technology and has earned six prestigious certifications, including the TÜV Rheinland Eye Comfort Certification and the CESI Paper-like Display Certification, ensuring a safer, more comfortable viewing experience that protects developing eyes.

Preloaded with a comprehensive curriculum spanning kindergarten through high school, the devices incorporate a structured, subject-based learning framework that delivers targeted academic support. Intelligent age-based growth plans guide students through personalized learning journeys, while *seewo* educational model powers a suite of smart features, from AI-powered picture book reading and automated essay review, to image recognition-enabled question solving and voice cloning.

Our Intelligent Display and Collaboration Ecosystems

Beyond standalone display and collaboration hardware, we are advancing towards integrated intelligent display and collaboration ecosystems, offering a portfolio of commercial display products and systems, related hardware, domain-specific AI-powered software solutions, and services designed around key application scenarios, particularly in education and enterprise collaboration. The following table shows a breakdown of our revenue from our intelligent display and collaboration ecosystems (which is the sum of our revenue from (i) intelligent devices and solutions, and (ii) software and other services) by industry application for the years/periods presented. See "— Our Products and Solutions."

	Year Ended December 31,						Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)									
							(Unaudited)			
Self-owned brands										
Education										
Commercial display products and systems	4,429,562	38.1	3,728,452	30.7	3,648,898	30.0	557,707	22.9	501,886	19.7
Computing solutions	234,474	2.0	448,565	3.7	894,323	7.4	136,034	5.6	180,204	7.0
AV equipment and systems	299,269	2.6	320,447	2.7	384,924	3.2	55,119	2.3	75,145	2.9
Others(1)	665,920	5.7	633,546	5.2	652,648	5.4	140,031	5.7	130,840	5.1
Subtotal	5,629,225	48.4	5,131,010	42.3	5,580,793	46.0	888,891	36.5	888,075	34.7
Enterprise Collaboration										
Commercial display products and systems	1,935,632	16.6	1,927,074	15.9	1,806,517	14.9	422,116	17.3	453,397	17.7
Computing solutions	168,474	1.4	296,742	2.4	478,051	3.9	90,663	3.7	149,318	5.8
AV equipment and systems	72,832	0.6	96,693	0.8	122,452	1.0	22,471	0.9	35,258	1.4
Others(2)	75,384	0.7	121,162	1.0	244,335	2.0	23,794	1.0	169,912	6.6
Subtotal	2,252,322	19.3	2,441,671	20.1	2,651,355	21.8	559,044	22.9	807,885	31.5
Others(3)	368,041	3.2	636,918	5.3	819,767	6.7	261,035	10.7	140,390	5.5
ODM Model(4)	3,388,009	29.1	3,917,959	32.3	3,093,869	25.5	727,615	29.9	725,159	28.3
Total	**11,637,597**	**100.0**	**12,127,558**	**100.0**	**12,145,784**	**100.0**	**2,436,585**	**100.0**	**2,561,509**	**100.0**

Notes:

(1) Primarily include revenue generated from learning devices and tablets.

(2) Primarily include revenue generated from accessories in enterprise collaboration application.

(3) Primarily include revenue generated from testing, after-sales services, as well as products and solutions for industrial applications.

(4) Some of the products manufactured on an ODM basis were also sold through intermediaries. See "— Sales and Marketing — Our Customers Intermediaries."

Ecosystem for Education — Empowering Education through Digital Innovation

In 2009, we launched our *seewo* brand, introducing the first IFPD product designed for the educational market in China. Since then, *seewo* has evolved into the leading brand for intelligent display and collaboration solutions in education in China. According to Frost & Sullivan, *seewo* held a 49.7% market share in Chinese Mainland by sales volume of IFPD products in the educational market in 2025. Based on our sales volume as of March 31, 2026, we estimate our *seewo* IFPDs have been installed in 3.0 million classrooms across more than 200,000 schools and over 2,600 higher education institutions in China.

According to Frost & Sullivan, China's Edtech industry is projected to grow at a CAGR of 8.8% from RMB519.0 billion in 2025 to RMB792.5 billion in 2030. We believe this sustained industry expansion is expected to create significant opportunities for our products and solutions.

Several structural and policy-driven trends within China's education sector are expected to fuel this growth. Schools' push for smaller class sizes aimed at improving educational quality has led to an increase in the number of classrooms. This translates into greater demand for Edtech solutions such as IFPDs, which enhance teaching effectiveness through real-time interaction and multimedia capabilities. In addition, continued investment in educational infrastructure, especially in rural and underdeveloped regions, is driving the modernization of classrooms across the country. The focus on the digital transformation of education ensures ongoing demand for modern teaching tools like IFPDs, where we have the largest market share, according to Frost & Sullivan.

Furthermore, with the continued advancement of education digitalization, the penetration rate of IFPDs in Chinese classrooms is expected to further increase, presenting ample room for growth. As digital learning becomes more deeply integrated into education, the replacement of traditional blackboards and projectors with IFPDs is expected to accelerate. This shift not only supports the broader EdTech market but also positions us to benefit directly as schools upgrade their hardware to meet evolving teaching needs.

We have also launched a suite of education-focused hardware products designed to integrate with IFPDs as part of a system to enhance the learning experience. For example, our learning devices and tablets have enabled digital learning experience in over one million households as of March 31, 2026. In addition, we introduced the *seewo* educational model, a domain-specific multimodal LLM tailored to meet the complex needs of modern education. This model empowers our hardware and software offering with advanced AI capabilities and facilitates seamless integration across our hardware and software ecosystem, enabling teachers to effortlessly unify curriculum design, lesson preparation, teaching, and post-class assessment into a seamless system, which accelerates the digital and smart transformation of education. See "— Research and Development — Artificial intelligence."

Today, we have built an ecosystem for education includes hardware, domain-specific AI-powered software and services solutions designed to transform classroom engagement and enhance digital teaching and learning experiences. Notably, the ecosystem features the following *seewo*-branded products and solutions.

Intelligent hardware

- IFPDs: As flagship hardware, the IFPDs boast a high-resolution touch display with multi-touch, wireless screen sharing, and handwriting input.
- Lecture capture systems: The intelligent lecture capture systems feature high-quality video recording and storage capabilities, greatly enhancing learning flexibility by allowing teachers and students to access and share classroom content whenever needed.
- Teaching terminals: Available in desktop, laptop, and all-in-one form factors, the teaching terminals support a variety of hardware platforms and systems and come pre-installed with proprietary AI-enabled software that enhances teaching efficiency.
- Learning devices and tablets: the learning devices deliver convenient and personalized learning experiences by aligning educational content with each student's needs in both classrooms and homes.

Software solutions powered by seewo educational model

- *seewo* Whiteboard: the *seewo* whiteboard is a one-stop interactive platform for K12 educators, integrating functions, among others, lesson planning and interactive teaching, which enhances teaching efficiency and boosts innovation. Approximately 1.7 billion sets of member-owned teaching materials were generated by the active users on the platform as of March 31, 2026.

- *seewo* AI Lesson Planning Assistant: Powered by AI and big data analysis, the *seewo* AI Lesson Planning Assistant revolutionizes traditional lesson preparation process by intelligently generating high-quality lesson plans tailored to specific teaching needs. As of March 31, 2026, the *seewo* AI Lesson Planning Assistant had supported the creation of approximately 2.0 million lesson plans, significantly reducing the average time spent by teachers on such task. As reported by People's Daily Online in April 2025, it became 50% more efficient for teachers using our product in Xuhui District, Shanghai to prepare lesson plans. We charge subscription fees for this product.

- *seewo* Teaching Assistant: A solution that enables real-time digitalization of teaching content, including handwritten notes and printed textbook pages, through optical character recognition technology, and automatically generates corresponding structured, engaging, and interactive digital learning materials.

- *seewo* Classroom Feedback Assistant: the *seewo* Classroom Feedback Assistant facilitates real-time classroom teaching data collection and analysis, providing immediate post-class feedback on teaching effectiveness, thereby supporting both teacher self-evaluation and administrative performance assessment. Powered by AI algorithms, it analyzes multimodal data to quantify teacher-student interactions, using scientific models and indicators to generate personalized assessment reports. As reported by People's Daily Online in April 2025, the *seewo* Classroom Feedback Assistant facilitated the digital transformation of educational administration in Xuhui District, Shanghai. For example, its feedbacks on 12 quantitative indicators, designed to enable data-driven insights, have been integrated into approximately 75% of teacher performance evaluations.

- *seewo* AI teaching skills training system: Designed for teacher training, the *seewo* AI teaching skills training system focuses on five key competencies, i.e. language expression, board writing, gestures, emotional expressions, and questioning. It utilizes behavior recognition and data analytics to provide real-time feedback and personalized improvement suggestions, accelerating skill development in simulated teaching environments. As of March 31, 2026, the *seewo* AI teaching skills training system has been implemented in more than 20 teacher training universities across China.

- *seewo* AI toolbox: the *seewo* AI toolbox supports teachers with intelligent solutions across high-frequency tasks such as preparing activity proposal, administrative notifications and writing feedbacks to students, boosting efficiency and reducing time spent on repetitive and low-value tasks. This allows teachers to focus more on quality classroom teaching and student development.

Services

We offer a comprehensive suite of digital educational management platforms, such as the *seewo* Cube, the *seewo* Academy and the *seewo* Xingtan (杏壇) Plan.

Through empowering data-driven decision-making, the *seewo* Cube, our one-stop educational management platform, helps educational authorities optimize resource distribution and drive regional education development. We charge project-based fees for initial deployment and ongoing maintenance services.

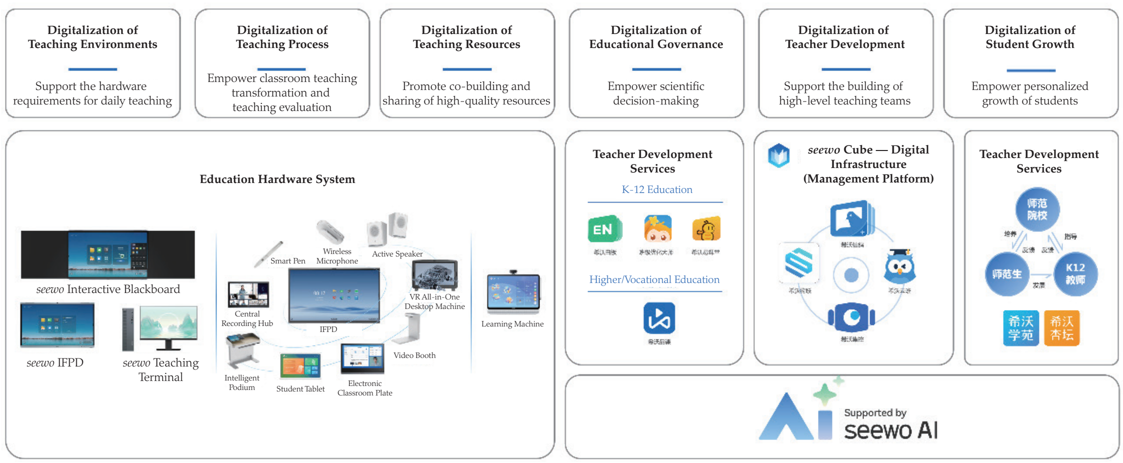
The *seewo* Academy is an online platform dedicated to teacher development, offering training in digital product applications, teaching integration with information technology, and other specialized courses led by expert *seewo* instructors and frontline educators. In 2024, the *seewo* Academy provided online trainings to more than 750,000 teachers across over 1,700 districts and 30,000 schools, and hosted more than 90 live-streaming events, reaching over 4.6 million teachers.

The *seewo* Xingtan (杏壇) Plan is a "teachers educating teachers" initiative, enhances educators' teaching philosophy and practical skills through an information-driven interdisciplinary training system, offering personalized learning paths to help them grow professionally and adapt to the evolving education landscape.

We also offer comprehensive offline services, including installation, regular updates, and maintenance of both hardware and software, ensuring the seamless operation of the entire solution and uninterrupted teaching activities in real-world settings.

Together, these solutions enable full-spectrum digitalization across key dimensions of education, including the digitalization of teaching environments, teaching process, teaching resources, teaching governance, teacher development and student growth.

The following diagram illustrates our *seewo* product matrix.



Our *seewo*-branded products are mainly marketed in Chinese Mainland, and we have been driving sales of our products in an increasing number of overseas educational markets primarily through ODM partnerships.

Ecosystem for Enterprise Collaboration — Enabling Smart Collaboration across Workspaces

MAXHUB is focused on the field of intelligent collaboration, building a product ecosystem of smart hardware and software applications across three core environments: meeting spaces, office spaces, and public spaces. *MAXHUB* integrates advanced AI technology across a variety of software and hardware products. This all-in-one solution optimizes the entire meeting lifecycle, from pre-meeting preparation, to in-meeting execution and to post-meeting follow-up, improving meeting productivity and accelerating organizational knowledge accumulation. See "— Research and Development — Artificial intelligence."

Similar to our solutions for the education sector, we have built an ecosystem for enterprise collaboration, featuring *MAXHUB*-branded products and solutions.

Intelligent Hardware

- IFPDs: the IFPDs integrate high-definition display, touch functionality, and multi-screen collaboration, delivering a smooth and interactive user experience.
- Digital signage: with real-time content updates and remote control capabilities, the digital signage provide an all-in-one solution for information display and management in public venues like malls and corporate spaces.
- LED displays: designed for large conference venues, exhibition halls, and commercial advertising, the LED displays ensure clear visibility and superior image quality in challenging lighting conditions.
- AV conference terminals: the AV conference terminal integrates an HD camera, microphone, speaker, and collaboration tools into a single device. It streamlines setup, reduces equipment costs, and enhances the overall conferencing experience.

- Office computing solutions: *MAXHUB* also delivers high-performance computing solutions for modern workplaces, enhancing operational efficiency and accelerate digital transformation for enterprises.

Software solutions powered by MAXHUB enterprise collaboration model

- *MAXHUB* Lingxiao Xingyun Platform: the *MAXHUB* Lingxiao Xingyun Platform is a comprehensive software suite that integrates device management, end-to-end meeting lifecycle management, cloud-based content distribution, and operational analytics. It supports both private deployment and SaaS models, offering an efficient solution for unified control of large-scale smart terminals.

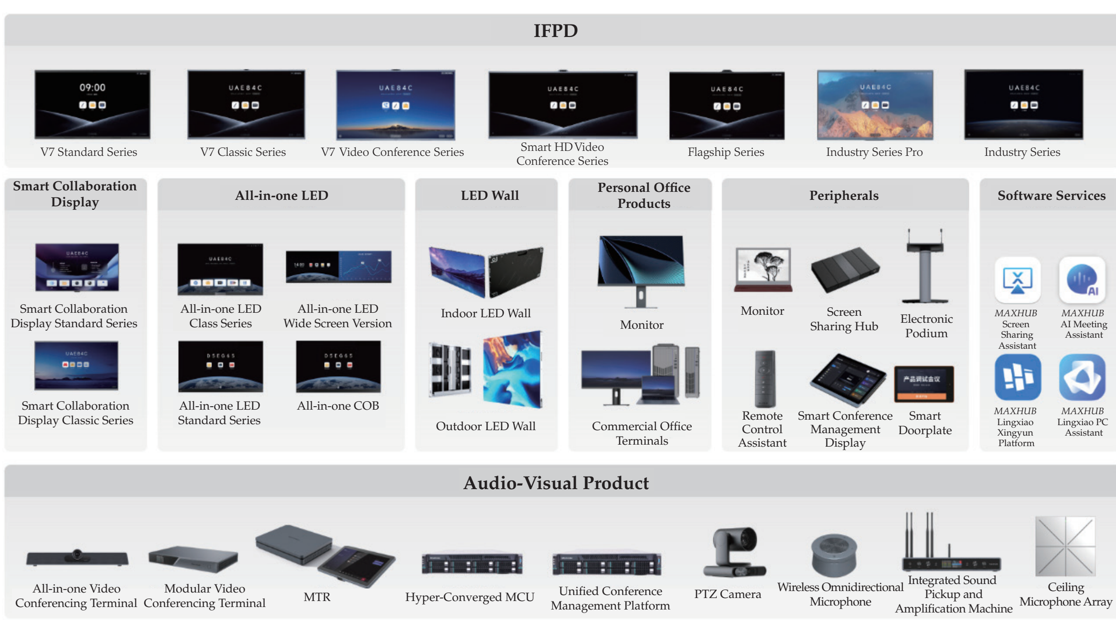
- *MAXHUB* Screen Sharing Assistant: the *MAXHUB* Screen Sharing Assistant is a cross-device application that enables, among others, wireless screen mirroring, file transfer and BYOM access. It connects multiple devices and operating systems, facilitating smooth interaction in meeting spaces and enhancing both meeting efficiency and cross-device collaboration.

- *MAXHUB* Lingxiao PC Assistant: the *MAXHUB* Lingxiao PC Assistant leverages AI technologies to proactively anticipate user needs through smart features like operation, file, and search predictions.

- *MAXHUB* AI Meeting Assistant: the *MAXHUB* AI Meeting Assistant combines speech recognition and natural language processing to boost meeting efficiency and automate content management. Key features include one-click recording, real-time transcription, speaker identification, smart summaries, and intelligent Q&A.

Together, these offerings empower enterprises and organizations across various industries to accelerate their digital and intelligent transformation across various collaborative scenarios.

The following diagram illustrates our *MAXHUB* product matrix.



Intelligent Control Components

Our intelligent control component products are widely adopted by leading brand companies in the household appliance (white goods) and consumer electronics industries, and are increasingly being adopted by automotive brands.

LCD controller boards

An LCD controller board serves as the central interface between a video source and an LCD panel, playing a critical role in defining the performance, resolution, and functionality of LCD display products. Integrated with an LCD controller and various connectors, the board handles image signal processing, LCD panel driving, control logic, power management, system interfacing, and application-specific functions.

Through continuous innovation, we have built a diverse and robust product portfolio, ranging from basic single-function boards to highly integrated all-in-one solutions, which enables our customers to select products that best meet their varied requirements. Our products are widely used in televisions, monitors, IFPDs, and digital signage, addressing the market's increasing demand for high-performance and feature-rich display technologies. In 2025, we served as the supplier of LCD controller boards to nine of the world's top ten television brands ranked by shipment volume in the same year, according to Frost & Sullivan, demonstrating our deep industry expertise and strong customer relationships. The prices of our main types of LCD controller boards ranged from approximately RMB90 to RMB250 in 2024.

We have developed the following technologies to empower our LCD controller boards:

- ***4K/8K ultra high definition technology***: our 4K/8K LCD controller boards leverage cutting-edge display processing technologies to deliver ultra-high resolution images. Through advanced video decoding and image processing algorithms, we present finer, more realistic details, enabling an exceptional viewing experience to customers. As a key player in setting industry standards, we continue to drive the global adoption of 4K/8K display technologies, accelerating the upgrade of display devices worldwide.

- ***AI upscaling technology***: powered by advanced deep learning and AI algorithms, our AI upscaling technology can enhance low-resolution images to near-4K quality in real-time. Through intelligently refining image details and filling in missing parts, it significantly improves picture clarity, offering a sharper and more detailed viewing experience.

We have enhanced compatibility with major global mainboards by integrating advanced Local Dimming algorithms. By combining power board hardware design with optimized LDM software, we are accelerating the global adoption of MiniLED TV solutions. This synergy accelerates the global rollout of MiniLED TV solutions and drives new industry momentum. See "— RESEARCH AND DEVELOPMENT — Our R&D approach and achievements — Interactive display technologies."

Our solutions can be achieved through standardized components, which allows us to provide stable and high-performance products to global customers in a cost-effective manner, while rapidly developing and iterating products.

Household appliance (white goods) control components

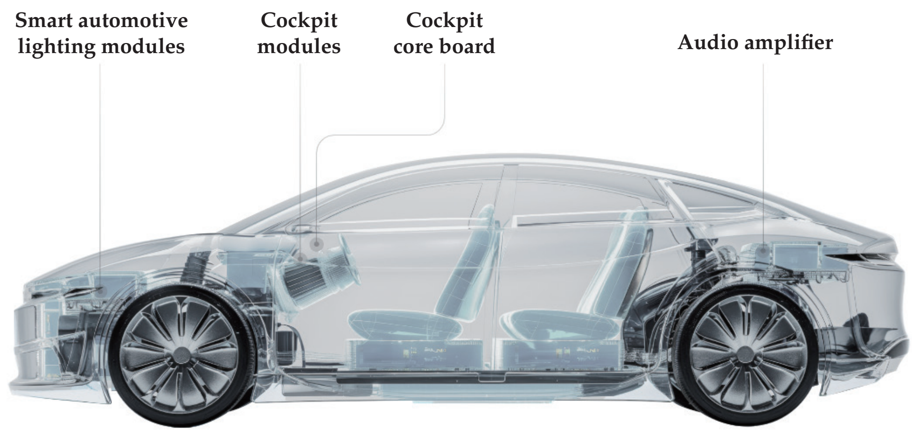
We provide highly reliable, cost-effective discrete control components and modules, such as smart inverter controllers, smart display modules, and human-machine interaction solutions, for a wide range of white goods, including refrigerators, washing machines, air-conditioners, kitchen appliances, and small home devices. We also offer comprehensive testing and validation services, along with failure analysis, supporting leading domestic and international brands and driving the continued advancement of household appliance (white goods) technologies. As of the Latest Practicable Date, our products were adopted by all of the top five global white goods brands in terms of revenue in 2025 according to Frost & Sullivan.

Our smart inverter controllers are primarily applied in white goods such as refrigerators, washing machines and air-conditioners with variable-frequency capabilities. The advanced frequency conversion algorithm dynamically adjusts motor speed based on equipment load and environmental conditions, optimizing energy efficiency and delivering significant savings. By providing precise real-time control, the algorithm not only reduces energy consumption but also extends equipment lifespan and minimizes noise. In household appliances (white goods) like air conditioners and refrigerators, the algorithm automatically adjusts operating modes in response to environmental changes, ensuring optimal energy use and improving overall energy performance. These modules integrate advanced touch control technology, display driving technology, network connectivity, and proprietary control algorithms, offering powerful real-time data processing capabilities. They support smart functions such as remote control, automatic adjustment, fault diagnosis, and over-the-air updates, providing users with an exceptional product experience through instant display and seamless human-machine interaction.

Additionally, leveraging our success in household appliance (white goods) control components, we have ventured into industrial control product sector and launched an industrial frequency-controlled fan module, catering to a variety of industrial equipment, including ventilation systems and air conditioning units.

Automotive electronics control components

We offer a variety of in-vehicle component solutions, including cockpit modules and core boards, smart automotive lighting modules, and car audio amplifiers.



Power electronics control components

In the power electronics sector, we focus on the development of core components for products such as UPS systems, charging station modules, inverters, and server power systems, delivering safe, efficient system solutions to customers worldwide.

Seasonality

Our sales are affected by seasonal fluctuations. Sales of our intelligent devices and solutions fluctuate primarily as a result of the purchasing cycles of the educational market and enterprise spending cycles. As a result, we typically experience higher sales in the third quarter.

Product Pricing

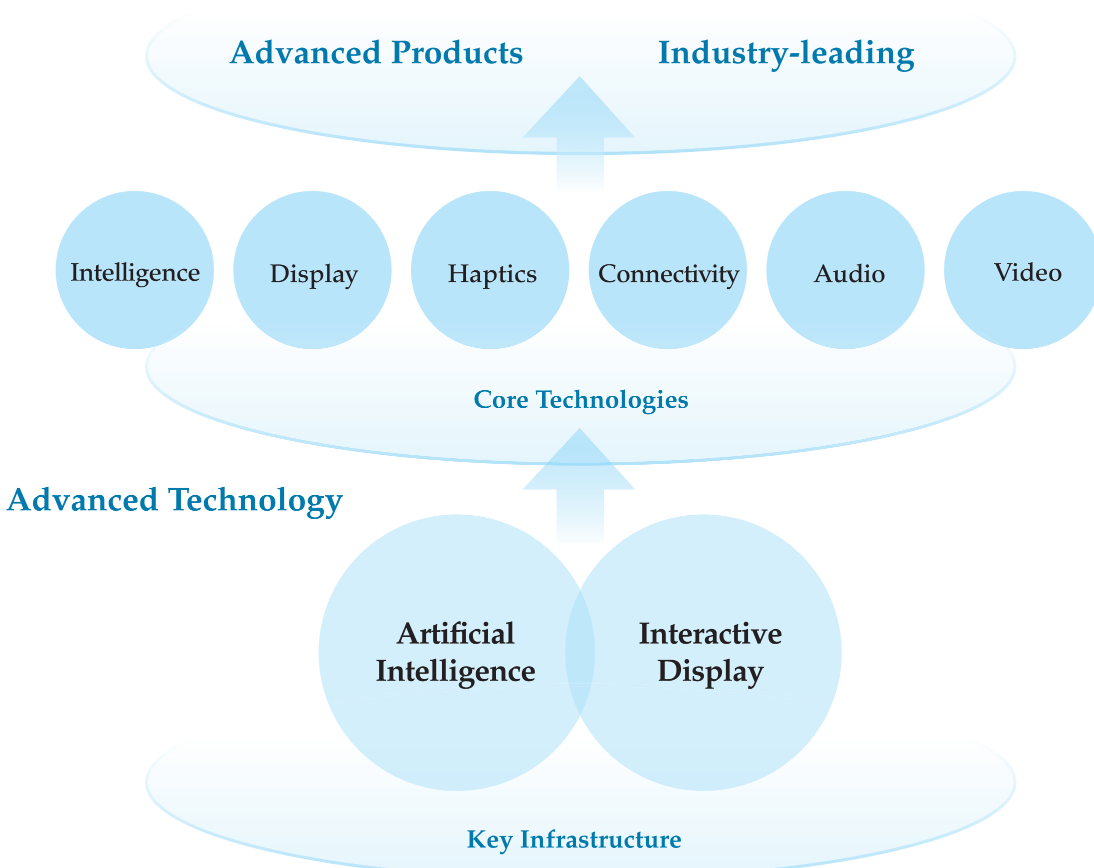
We generally determine the prices of our products based on the costs of developing and manufacturing such products. We also consider various other factors when pricing our products, such as our relationship with the customers, complexity of product design, size of the order, our expected profit margin, competition and exchange rate fluctuations.

RESEARCH AND DEVELOPMENT

R&D are critical to maintaining our market-leading position and driving the sustained growth of our business, enabling us to continuously meet the evolving needs of our customers.

Our R&D approach and achievements

Guided by both technological advancement and customer demand, we are dedicated to in-house R&D focused on artificial intelligence and interactive display technologies, which form the foundation of our innovation and product differentiation. Built on this foundation, we have achieved a leading technological edge in both artificial intelligence and key interactive display technologies including display, haptics, connectivity, audio and video.



Artificial intelligence

We center our strategy on advancing artificial intelligence with capabilities in perception, reasoning, and generation, focusing on four core technology domain, computer vision, speech processing, tactile sensing, and data intelligence. Our goal is to enable multimodal fusion and understanding powered by LLMs, forming a robust "4+1" AI architecture that underpins our innovation roadmap.

We have developed two domain-specific multimodal LLMs, leveraging third-party general-purpose LLMs:

- The *seewo* educational model is finetuned on over 220 billion tokens of domain-specific content, including lesson plans, teaching materials, and instructional videos. Leveraging multimodal perception and understanding, it supports diverse input formats, text, images, and video, to intelligently support the entire educational lifecycle, from lesson preparation and instruction to student learning, assessment, research, and administrative tasks.

- The *MAXHUB* enterprise collaboration model is optimized for corporate meeting scenarios. To address the challenges of long-context understanding, it incorporates an innovative context-aware reasoning strategy, significantly improving the efficiency of key capabilities such as meeting summarization and task generation.

Both models are powered by model compression and inference acceleration technologies, enabling efficient deployment at the device and edge level. This ensures high-performance, low-latency, and cost-effective operation, meeting the demands of both educational and enterprise environments.

Interactive display technologies

Display technology

We have enhanced compatibility with major global mainboards by integrating advanced Local Dimming algorithms. By combining power board hardware design with optimized Local Dimming Management ("**LDM**") software, we are accelerating the global adoption of MiniLED TV solutions. Our key achievements include:

- Leveraging our in-house expertise in ultra-large, UHD display module development, alongside innovations in optics, materials, simulation, and AI-driven algorithms, we have achieved professional-grade color accuracy with $\Delta E \leq 1$, a level at which color differences are imperceptible to the human eye.
- Through the use of high-efficiency MiniLED backlighting and integrated optical film design, we became the first in the commercial display industry to meet the latest top-tier energy efficiency standards. For instance, our 86-inch display reduces power consumption by 80 watts compared to traditional solutions, significantly cutting total lifecycle energy usage.
- We have also adopted innovative optical film structures to extend viewing angles, while our proprietary 3A glass processing technology minimizes screen reflections, ensuring consistent visual quality from every angle.

Tactile sensing (haptic) technology

Supported by a robust quality assurance system for haptic technologies, we ensure a smooth transition from R&D to mass production while maintaining high product standards. Our key achievements include:

- high-precision capacitive touch sensing with 440+ channels, supporting 3mm hard-tip passive styluses with enhanced scratch resistance.
- LiDAR-based touch integration in all-in-one LED displays, enabling intuitive gesture-based interaction.
- Vibration-based haptic feedback in laptop touchpads, delivering cost-effective, full-area press functionality.

Connectivity technology

We have developed a high-precision wireless testing framework that accurately simulates real-world user scenarios within laboratory environments, enabling rigorous evaluation and optimization of wireless performance. Our proprietary device interconnection and sharing solution enables automatic device discovery and secure, seamless connections, supporting fast deployment, stable data transmission, intuitive control, and flexible cloud-based operation and maintenance. This solution allows for inter-device collaboration across integrated systems and peripheral devices, enhancing interoperability and user experience.

Video technology

We have established a full-stack innovation ecosystem that spans from custom hardware design to advanced algorithm development, driving next-generation visual intelligence:

- Our proprietary multi-focal hybrid zoom technology, combined with spatial awareness and scene-adaptive algorithms, enables us to deliver cutting-edge 8K multi-camera wide-angle system solutions.
- Through AI-powered super-resolution, noise reduction, and HDR technologies, we significantly enhance image quality, ensuring a consistently stable and immersive visual experience.
- By integrating human perception models and multimodal data fusion, we have developed intelligent features such as AI smart gallery and multi-speaker tracking, elevating the intelligence level of collaborative conferencing.

These innovations are also being extended to emerging fields including automotive electronics, augmented reality (AR), and virtual reality (VR). To ensure high reliability and global compatibility, we have established a professional-grade imaging laboratory and a quality evaluation system aligned with international standards, enabling full certification for cloud conferencing platforms.

Audio technology

We focus on high-fidelity sound reproduction and scenario-driven innovation, continuously advancing our capabilities in microphone array design, audio capture, signal processing, and reconstruction:

- Our proprietary 16-microphone linear array, combined with multi-device signal fusion technology, provides a solid foundation for high-quality audio pickup across complex environments. By integrating AI technologies into key processes, such as noise reduction, reverberation suppression, echo cancellation, and beamforming, we significantly enhance speech clarity in real-world environments.
- Through advanced multi-source sound localization and audio-visual multimodal scene understanding, we can accurately distinguish between multiple speakers, enabling precise speech transcription and real-time speaker tracking.

We are also actively enhancing our technological capabilities in motor control and power electronics to support the development of intelligent control components for mechatronics, automotive systems, power electronics, and key robotics applications.

Our proprietary mechatronic control algorithms are a key technology enabling intelligent functionalities in household appliances (white goods). Furthermore, leveraging our core competencies in AV systems, touch interaction, and thermal management, we provide high-performance and cost-effective solutions including cockpit control modules, lighting systems, and audio amplifiers to automotive brands.

R&D organization and expenses

As of March 31, 2026, we had 2,965 experienced R&D personnel, accounting for 44.4% of our total employees.

Our R&D organization is structured around three institutes and one workstation: the Central Research Institute, Central Engineering Institute, Innovation Design Institute, and a Postdoctoral Research Workstation. Together, they bring over 100 PhDs and senior experts from domestic and international institutions.

- The Central Research Institute serves as a hub for cutting-edge basic and applied research, with a focus on multimodal LLMs, visual computing, speech and haptic technologies, and data intelligence.
- The Central Engineering Institute specializes in advanced engineering research, covering key domains such as materials science, optics, radio frequency, fluid dynamics and mechanics.
- The Innovation Design Institute applies design thinking to drive innovation and business growth, conducting research in industrial design, interaction design, and user experience.

- The Postdoctoral Research Workstation, which had hosted 29 postdoctoral researchers as of March 31, 2026, serves as a strategic platform for high-level talent development and frontline technological innovation within the industry.

In 2023, 2024, 2025 and the three months ended March 31, 2026, our research and development expenses amounted to RMB1,422.5 million, RMB1,540.2 million, RMB1,588.0 million and RMB409.4 million, representing 7.1%, 6.9%, 6.5% and 6.6% of our total revenue in the respective years/periods.

SALES AND MARKETING

We believe that consistently delivering quality products on time and exceeding customer expectations is the most effective sales and marketing strategy for our business. We market and sell our products through a combination of direct sales and a global distributor network, reaching customers in over 100 countries and regions as of March 31, 2026.

Our direct sales and marketing efforts focus on maintaining and expanding strategic relationships with our customers, as we aim to become and remain their long-term trusted partner. In addition to strengthening ties with existing customers, our sales team also actively pursues new partnerships, particularly as we continue to broaden our product portfolio.

Our Customers

Our customers primarily include brand companies in the electronics industry who are our direct sales customers, as well as distributors who resell our products to end users.

Our intelligent control components are primarily sold directly to end customers and through intermediaries, while intelligent devices and solutions, such as IFPDs, are primarily distributed through third-party distributors.

The following table sets forth our revenue breakdown by customer type for the years/periods indicated.

	Year Ended December 31,						Three Months Ended March 31,			
	2023		2024		2025		2025		2026	
	RMB	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*	*RMB*	*%*
	(in RMB thousands, except for percentages)									
							(Unaudited)			
Direct sales customers	8,378,718	41.5	10,308,895	46.0	11,884,077	48.7	2,636,937	52.7	3,342,724	53.8
Intermediaries	2,825,228	14.0	3,085,490	13.8	3,276,013	13.5	699,227	14.0	1,020,446	16.5
Distributors	8,968,691	44.5	9,006,797	40.2	9,193,794	37.8	1,668,435	33.3	1,839,995	29.7
Total	**20,172,637**	**100.0**	**22,401,182**	**100.0**	**24,353,884**	**100.0**	**5,004,599**	**100.0**	**6,203,165**	**100.0**

Direct sales customers

We sell a significant portion of our intelligent control components directly to brand companies in the electronics industry, particularly television brands. In addition, we offer our intelligent devices and solutions under an ODM model to overseas brand companies. Under our ODM model, we manufacture products in our self-owned smart manufacturing facility, or provide the product design, as well as the components and materials, to our manufacturing partners, who handle production. The finished products are then branded and sold by our customers under their own names.

Arrangement with our direct sales customers

We generally enter into framework agreements with our direct sales customers, with actual price and volume specified in individual purchase orders. The terms of these agreements vary depending on the specific product or solution and the result of our negotiation with each customer, but these agreements generally contain the following terms:

Order placement	:	The product name, quantity, specification, purchase price and delivery date are specified in purchase orders based on the demand of our customers. We do not impose a minimum purchase amount on our customers.
Shipment and delivery	:	We assume the costs and risks associated with the shipment of ordered products if delivery to the customer's designated location is required.
Product return	:	We generally do not allow product return after shipments have been accepted, except in cases of product quality issues within the warranty period, which is in line with customary industry practice.
Credit terms	:	We generally do not grant credit terms to our customers. We generally require the customers to make full payment to us before we ship our products.
Duration	:	We typically enter into long-term agreements with our direct sales customers unless terminated earlier subject to conditions thereof.

Intermediaries

We also sell products through intermediaries to our designated end customers who are brand companies in the electronics industry, under trade arrangements we refer to as facilitated sales. Our intermediaries are typically reputable supply chain services companies in the electronics industry. In facilitated sales transactions, intermediaries make payments to us in accordance with our policy of requiring advance payment. These intermediaries are responsible for settling payment directly with the end customers, and we bear no liability in that regard. Accordingly, we recognize the intermediaries as our customers. During the Track Record Period, certain intermediaries were included among our major customers. Their order placement with us is conditional upon order confirmation with the end customer. Meanwhile, we arrange for the products to be shipped directly to the end customers, ensuring efficient fulfillment while maintaining our trade and credit policies.

Some of the products manufactured on an ODM basis were also sold through intermediaries under a similar process. We arrange the production of such products based on orders from brand companies, who are the end customers, and deliver the finished products to them for branding and sale under their own names. Intermediaries are engaged to make payments to us prior to shipment of our products in accordance with our advance payment policy, and subsequently settle payment directly with the end customers. As of December 31, 2023, 2024, 2025 and March 31, 2026, we had 40, 56, 64 and 59 intermediaries, respectively.

The use of intermediaries in our sales arrangements (primarily, for intelligent control components) provides specific operational and financial benefits. In particular, intermediaries help us maintain our credit policy and enhance cash flow management in circumstances where there is a mismatch between our credit terms and those of our end customers, such as our requirement for advance payment and the longer credit periods typically requested by certain end customers. By selling to intermediaries who assume the payment obligations, we are able to collect payments from intermediaries in accordance with our preferred payment schedule, which is typically prior to shipment of our products, without compromising our standard credit policy to accommodate the credit terms of end customers. This arrangement reduces our exposure to credit risk and enhances the predictability and efficiency of our cash inflows.

We generally sold products to intermediaries at a discount compared to the prices we would sell directly to end customers, reflecting economic interests for the intermediaries, such as cost of capital. Other than such sales discounts, we do not bear any other cost. By engaging intermediaries in such cases, we are able to uphold our preferred payment terms while still meeting the needs of end customers, thereby reducing credit risk and supporting a healthier cash conversion cycle.

The following table sets out the key differences between intermediaries and distributors regarding our main reasons for engaging them.

	Intermediaries	Distributors
Primary Purpose	To reduce credit risk and improve cash conversion cycle	To expand market reach
Control over end customer relationships	End customer relationships are controlled and managed by us	End customer relationships are mainly controlled and managed by distributors
Appointment	Typically appointed by end customers	Appointed by us
Roles in sales process	Products are sold through intermediaries to our designated end customers. We directly negotiate the terms of the sales, including, but not limited to, the pricing	Promote our products and solutions to end customers, and independently negotiate the terms of the sales, including, but not limited to, the pricing
Product delivery and acceptance	Products are delivered to and accepted by end customers	Products are delivered to and accepted by distributors. In certain cases, at the distributor's instruction, goods may be shipped directly to the end customer.

Relationships with these intermediaries are commercial and transactional in nature. There are no past or present relationships (including, without limitation, family, business, financing, trust, shareholding or otherwise) between such intermediaries or their ultimate beneficial owner(s) and our Company, our subsidiaries, our substantial Shareholders, Directors or senior management, or any of their respective associates.

According to Frost & Sullivan, the involvement of intermediaries is an industry norm, as it helps bridge the mismatch between the credit policies and liquidity requirements of product providers and their customers, even when direct transactions between the two parties are feasible.

We have established internal controls to monitor sales to end customers through intermediaries. We ship products directly to end customers, and we maintain control over the relationship with the end customers, the quantity and timing of orders, and the delivery process. This direct involvement allows us to effectively monitor actual end-customer sales.

Customer service

We cooperate closely with our customers throughout the product design and development processes and strive to ensure that we provide our customers with satisfactory products and solutions that meet their expectations. Specifically, we communicate with our customers frequently during the product design process since we may conduct the R&D activities together with our customers from time to time, and we also regularly collect customer feedback during our cooperation to ensure that they are satisfied with our products and solutions.

Distributors

To extend our market reach, we engage distributors for the sales of our products to supplement our direct sales model. In 2023, 2024, 2025 and the three months ended March 31, 2026, sales to our distributors amounted to RMB8,968.7 million, RMB9,006.8 million, RMB9,193.8 million and RMB1,840.0 million, accounting for 44.5%, 40.2%, 37.8% and 29.7% of our total sales in the same year/period, respectively.

We have a seller-buyer relationship with our distributors whereby the ownership of the products is transferred to our distributors upon their purchase of the products.

Certain of our distributors also sell other branded commercial products, which is common in the industry. The strength of our brand, the quality and innovation of our products, and our strong reputation among end customers help differentiate our offerings in a competitive environment. Distributors are incentivized to continue promoting our products due to strong market demand, high customer satisfaction, and the competitive value we offer in terms of performance, reliability, and support.

To the best knowledge of our Directors, during the Track Record Period, all our distributors were Independent Third Parties.

During the Track Record Period, our revenue from distributors was primarily attributable to sales to our top distributors. In 2023, the percentages were 21.2% and 29.4% for our largest and top five distributors, respectively. In 2024, our largest distributor contributed 24.3% of our total revenue from distributors, while our top five distributors accounted for 33.4% of our revenue from distributors. In 2025, the largest distributor represented 20.1% of our total revenue from distributors, and the top five distributors together accounted for 29.6% of our total revenue from distributors. In the three months ended March 31, 2026, the largest distributor represented 26.2% of our total revenue from distributors, and the top five distributors together accounted for 34.1% of our total revenue from distributors.

The table below sets forth certain information of our top five distributors during the Track Record Period.

For the three months ended March 31, 2026

Rank	Distributor	Transaction Amount (in RMB million)	Percentage of total revenue from distributors
1	Distributor A	481.2	26.2%
2	Distributor E	55.4	3.0%
3	Distributor B	34.7	1.8%
4	Distributor C	29.1	1.6%
5	Distributor L[(1)]	27.8	1.5%
Subtotal		**628.2**	**34.1%**

Note:

(1) A Chinese private company that primarily engages in providing telecommunications and information system integration services, a subsidiary of a Chinese public company listed on Hong Kong Stock Exchange.

For the year ended December 31, 2025

Rank	Distributor	Transaction Amount (in RMB million)	Percentage of total revenue from distributors
1	Distributor A[(1)]	1,849.5	20.1%
2	Distributor B[(2)]	292.2	3.2%
3	Distributor C[(3)]	250.6	2.7%
4	Distributor E[(4)]	205.5	2.3%
5	Distributor K[(5)]	122.9	1.3%
Subtotal		2,720.8	29.6%

Note:

(1) A Taiwan Exchange-listed company that primarily engages in development and supply of industrial materials

(2) A Chinese private company that primarily engages in the R&D, manufacturing, and ODM production of intelligent display products, a member of a Chinese public multinational technology conglomerate

(3) A Chinese private company that primarily engages in network technology services, as well as import/export trading and technical support services

(4) A Chinese private company that primarily engages in the distribution of IT and digital products, as well as the provision of integrated supply chain and technical services

(5) A Chinese private company that primarily engages in ICT distribution, smart logistics and supply chain finance

For the year ended December 31, 2024

Rank	Distributor	Transaction Amount (in RMB million)	Percentage of total revenue from distributors
1	Distributor A	2,190.2	24.3%
2	Distributor B	266.5	3.0%
3	Distributor C	207.6	2.3%
4	Distributor D[(1)]	204.0	2.3%
5	Distributor E	134.2	1.5%
Subtotal		3,002.5	33.4%

Note:

(1) A Chinese state-owned company that primarily engages in the trade and supply of grain, oil, and feed raw materials, as well as the provision of integrated supply chain services

For the year ended December 31, 2023

Rank	Distributor	Transaction Amount (in RMB million)	Percentage of total revenue from distributors
1	Distributor A	1,899.5	21.2%
2	Distributor C	228.4	2.6%
3	Distributor F(1)	209.7	2.3%
4	Distributor B	200.9	2.2%
5	Distributor G(2)	102.6	1.1%
Subtotal		2,641.1	29.4%

Note:

(1) A Chinese private company that primarily engages in providing IT products and services for IT infrastructure, as well as supply chain services

(2) A Chinese private company that primarily engages in system integration, network product distribution, and multimedia product promotion

Selection and management of distributors

We select our distributors based on a number of factors, including their qualifications, scope of operations, business scale, relevant industry experience and customer service capabilities.

We regularly assess the performance of our distributors and leverage the assessment as a basis to determine whether to renew our agreement with a certain distributor. More specifically, we periodically review the sales performance of all our distributors and, for the distributors who are not performing well, we work with these distributors to try to identify and solve the issues impacting their performance. If the sales performance of these distributors is still not improving, we may consider terminating our relationship with them. To assist our performance review, we also conduct periodical review of our distributors' inventory level.

We consider various factors for renewing agreements with distributors, including their historical sales, payment record, compliance with the distribution agreement and sales and marketing capabilities.

We generally reserve the right to impose penalty and terminate the distribution agreement in the event that the distributors breach such requirements on distribution channels and areas.

In terms of pricing, our distributors are recommended to sell our products in accordance with our suggested prices, which may be adjusted in response to market dynamics. We would take the individual distributor's compliance record to our pricing policies into account in the performance review process.

Some of our distributors may engage sub-distributors, in which case they may further enter into agreements with the sub-distributors. We generally do not enter into agreements or directly establish relationships with the sub-distributors. Consequently, we have no control over sub-distributors.

We believe the risk of channel stuffing is effectively mitigated due to the measures we have implemented, which include, among others:

- we generally require full upfront payment of contract price before delivering products to our distributors, by which arrangement we believe our distributors would place orders with us based on their actual sales forecasts;

- we generally do not allow returns of products sold to distributors except for quality issues caused by us;
- our sales team generally keeps collaborative communication with our distributors to understand their sales performance and arrange onsite visits;
- we also generally closely communicate with our distributors in relation to their inventory levels;
- we optimize our sales and distribution management with digital management platform where we can monitor key inventory data of our distributors for enterprise collaboration products connected within this platform; and
- Although we require the distributors for our enterprise collaboration products to meet certain sales targets, we do not impose penalties on distributors who fail to meet them. Instead, the sales targets primarily serve as performance benchmarks for determining eligibility under our incentive and rebate programs, which are designed to reward actual sell-through performance. Moreover, the level of incentives and rebates offered is not structured in a manner that would encourage distributors to purchase and hold excessive inventory. Our products sold to distributors are non-returnable, except in cases of quality defects attributable to us, which further discourages speculative or excessive ordering.

Additionally, for products and solutions designed for educational scenarios, our distributors' sales model inherently minimizes the need for them to hold substantial inventory. Orders for our products from distributors are typically driven by specific school projects they have secured, with most inventory being utilized shortly after procurement to fulfil school projects.

We have established internal controls to monitor sales to end customers by distributors for our enterprise collaboration products, where we utilize a structured distributor system to facilitate systematic channel management and demand planning. For this segment, we maintain regular communication with key end customers to understand their business needs and projected demand, and may request periodic sales reports from distributors, conduct demand forecasting reviews, and monitor shipment patterns to help align distributor purchases with actual market demand. For products and solutions designed for educational scenarios, which operates on a project-based model rather than a traditional distribution system, we primarily fulfill orders through channel partners for specific projects, and there is generally no significant inventory maintained by these partners. As a result, risks relating to channel inventory are less relevant to this business line. In overseas markets, we request distributors to periodically provide inventory data, which allows us to monitor overall inventory levels in different regions and better manage supply and demand balance.

Arrangement with our distributors

We enter into distribution agreements with our distributors. The terms of the agreements vary depending on the result of our negotiation with each distributor, but these agreements largely follow our standard template for distribution agreements. The table below sets forth the key terms of our distribution agreements:

Duration	:	The agreements are typically effective for one year from the date of signing unless terminated earlier and renews subject to mutual agreement.
Channel restrictions	:	We generally designate geographic distribution regions for each distributor for their offline sales activities.

Sales target	:	We require the distributors for our enterprise collaboration products to meet certain sales targets during the term of the distribution agreements, and we have the right to withdraw or cancel certain market resources and promotion policies based on sales performance review. The achievement of the sales target by our distributors is a key performance indicator and the basis for the sales initiatives and rebates programs.
Credit terms	:	We generally do not grant credit terms to our distributors. We generally require the distributors to make full payment to us before we ship our products.
Shipment and delivery	:	We assume the costs and risks associated with the shipment of ordered products if delivery to the distributors' designated location is required. Conversely, the distributors assume these costs and risks if they arrange for product pickup at our designated location.
Transfer of risks	:	The risks transfer after the distributors or the first carriers pick up the products from us.
Product returns	:	We generally do not allow product return after shipments have been accepted, except in cases of product quality issues within the warranty period, which is in line with customary industry practice.
Minimum purchase requirements	:	We generally do not impose minimum purchase requirements for our distributors.
Pricing policy	:	The prices offered to distributors for our products are generally provided in our price lists, which may be updated periodically. Our distributors are recommended to sell our products in accordance with our suggested price.
Termination	:	The agreements may be terminated by mutual agreement or by other means as specified in the agreement.

The table below sets forth the total number of our distributors and their movement during the Track Record Period.

	2023	2024	2025	Three Months Ended March 31, 2026
Number of distributors at the beginning of the period	10,366	11,218	9,891	9,554
Number of new distributors	5,091	3,805	4,226	738
Number of terminated/ inactive distributors(1)	4,239	5,132	4,563	2,835
Number of distributors at the end of the period	**11,218**	**9,891**	**9,554**	**7,457**

Note:

(1) Terminated and inactive distributors refer to distributors from whom revenue was recorded in the immediately preceding year but no revenue was recorded in the current or subsequent year(s)/period(s).

The fluctuations in the number of our distributors during the Track Record Period primarily reflected the dynamics of our sales of intelligent devices and solutions targeted at the educational market in China. The principal end users of these products were K12 schools, whose purchasing decisions were influenced by their respective budgetary allocations and spending cycles. Given the long product life cycle of our offerings, many of our distributors became inactive in subsequent years after schools within their respective areas completed their purchases. In addition, we proactively developed new distributors who can secure orders for our products for project-based procurements from schools.

In 2024, the number of new distributors we engaged decreased, as we partnered with larger distributors possessing more robust financial resources and stronger sales capabilities in the local education sector. This adjustment was driven by evolving market conditions, including an observed shift among schools towards centralized, district-level procurement programs, as opposed to individual school-based purchasing projects.

The following table sets forth a breakdown of the number of our distributors by designated sales regions for the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
China				
Northeast China	952	956	992	783
Eastern China	2,357	2,137	2,241	1,900
Northern China	786	647	683	577
Central China	1,960	1,848	1,633	1,146
Southern China	2,936	2,302	2,083	1,496
Southwest China	1,265	1,219	1,214	959
Northwest China	621	447	376	283
Hong Kong, Macau and Taiwan	66	61	31	27
Asia (excluding China)	96	98	121	129
Europe	79	73	75	72
America	68	68	71	54
Australia	21	21	17	15
Africa	11	14	17	16
Total	**11,218**	**9,891**	**9,554**	**7,457**

Major customers

In 2023, 2024, 2025 and the three months ended March 31, 2026, sales to our five largest customers amounted to RMB5,149.1 million, RMB6,087.6 million, RMB6,418.2 million and RMB1,682.7 million, accounting for 25.5%, 27.2%, 26.4% and 27.1% of our total sales in the respective years/periods. In 2023, 2024, 2025 and the three months ended March 31, 2026, sales to our largest customer amounted to RMB2,772.2 million, RMB3,346.9 million, RMB2,645.1 million and RMB655.3 million, accounting for 13.7%, 14.9%, 10.9% and 10.6% of our total sales in the respective years/periods. During the Track Record Period, to the best knowledge of our Directors, none of our Directors, their associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest customers in any period during the Track Record Period that are required to be disclosed under the Hong Kong Listing Rules.

OUR SUPPLY CHAIN

Production

We relied entirely on third-party partner factories to produce our products prior to establishing our own smart manufacturing facility in Guangdong, China in 2024. Our facility provides several strategic benefits:

- The facility provides enhanced protection of trade secrets, particularly during the experimentation, testing, and trial production phases of new technologies and products.
- In addition to fulfilling customer orders, the facility serves as a central hub for refining, testing, and finalizing product SOPs, which are then implemented across our global manufacturing partners, reinforcing our "local prototyping, global production" model that accelerates time-to-market while ensuring consistent product quality and operational scalability worldwide.
- It supports the research and development of automated production equipment, which can be deployed in partner factories to reduce costs and improve production efficiency.

Although we now operate our own facility, our variable cost structure has not materially changed compared to relying solely on third-party manufacturing, as we continue to supply our production partners with major raw materials. However, the establishment of our own facility has improved our intellectual property protection, R&D capability and quality control, while also creating opportunities to lower manufacturing costs and increase production efficiency at partner factories, thereby improving our overall risk profile and operational flexibility.

We continue to engage third-party partner factories for the manufacturing of IFPDs alongside operating our own manufacturing facility. In 2024, 2025 and the three months ended March 31, 2026, in terms of revenue approximately 22.2%, 47.7% and 71.1%, respectively, of the IFPDs we sold were manufactured in-house, with the remainder produced by our partner factories.

We have not transitioned all production to our own facility primarily because it remains in the ramp-up stage, and more importantly, continuing to work with third-party partner factories allows us to enhance our supply chain resilience and manage tariff exposure. For example, IFPDs produced by our partner factory in Vietnam and exported to the United States currently benefit from exemptions from general tariffs. In addition, our Indian partner factory supports our sales in the Indian market, where local production reduces logistics costs and shortens delivery times. Local production also allows us to align manufacturing more closely with customer orders, improving delivery lead times and responsiveness to market needs. We will continue to assess the balance between in-house and outsourced manufacturing based on factors such as operational efficiency, customer requirements, market dynamics, and global trade developments

We did not experience any material delays in production during the Track Record Period.

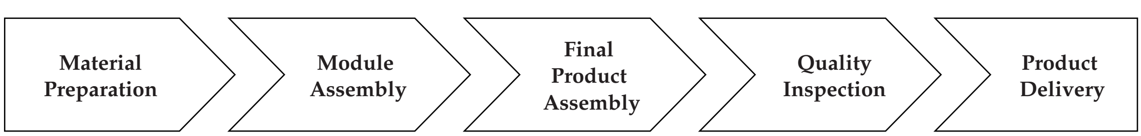
Our manufacturing facility

We have established a smart manufacturing facility in Guangdong, China primarily dedicated to IFPDs, which became operational in 2024. This facility features state-of-the-art laboratories, automated production workshops, intelligent warehousing and logistics systems, and digital manufacturing management systems, capable of supporting the entire product lifecycle, including customer demand analysis, product R&D, pilot testing, mass production, and global shipment.

The facility has a designed annual production capacity of 863,000 units of IFPDs. Accounting for the facility's actual start of operations, its annual production capacity in 2024 was 431,500 units of IFPDs, with a utilization rate of 66.3% as we were in the process of ramping-up production. The utilization rate is calculated by dividing the actual production output of IFPDs in 2024 by the prorated production capacity of 431,500 units (the capacity derived by prorating the designed annual production capacity of 863,000 units based on the timing of the facility's actual operational timeframe in 2024), which calculation is in line with industry norms, accordingly to Frost & Sullivan. Based on the same calculation method, its annual utilization rate in 2025 was 56.9% and 59.3% on a prorated production capacity of 127,867 units in the three months ended March 31, 2026.

Production process

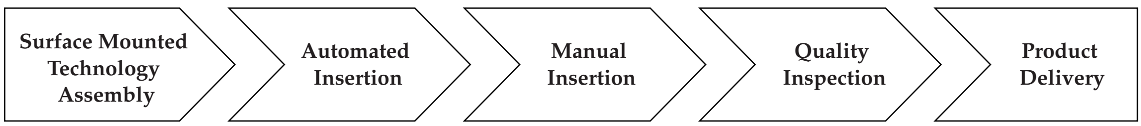
We generally plan for production according to the orders we have received, as well as our sales plan. The chart below illustrates the production process of our commercial display products and systems:



- *Material Preparation.* Key raw materials such as display panels are sourced and inspected to ensure they meet quality standards. Materials are then sorted and pre-processed for assembly.
- *Module Assembly.* The prepared components are precisely assembled into display module. This stage requires strict dust and static control to ensure product stability.

- *Final Product Assembly.* The display module is integrated with the outer casing, power supply, and interface components to complete the full unit. Initial functionality checks are performed post-assembly.
- *Quality Inspection.* The product goes through various checks, such as visual display testing, electrical performance checks, interface verification, and cosmetic evaluation to ensure product quality.
- *Product Delivery.* Finished products are securely packaged with appropriate shock protection and labeling, then delivered to the customers.

The chart below illustrates the production process of our LCD controller boards:



- *Surface Mounted Technology Assembly.* Surface-mount components are precisely placed onto printed circuit boards using high-speed pick-and-place machines, followed by reflow soldering to form reliable electrical and mechanical connections.
- *Automated Insertion.* Through-hole components are inserted by automated insertion machines to ensure consistent positioning and improve assembly efficiency, especially for high-volume production.
- *Manual Insertion.* Components that require special handling, such as connectors, transformers, or heat-sensitive parts, are manually inserted by trained technicians to ensure proper orientation and fit.
- *Quality Inspection.* The product goes through various checks, such as visual checks, automated optical inspection, and functional testing, to verify performance and reliability.
- *Product Delivery.* Finished products are securely packaged with appropriate shock protection and labeling, then delivered to the customers.

Our production partners

We engage specialized third-party partner factories around the world to produce our products according to our proprietary designs and SOPs, including products we offer under ODM model.

We carefully select our production partners, and we evaluate them based on a range of factors, including overall track record, technological expertise, product quality and quality control effectiveness, price, reliability, ability to meet our delivery timeline and production capacity.

Under our ODM model, aside from manufacturing products in our self-owned smart manufacturing facility, we provide the product design, as well as the components and materials, to our production partners, who handle production. The finished products are then branded and sold by our customers under their own names.

As of March 31, 2026, we had a network of over 35 specialized partner factories manufacturing our products on a non-exclusive basis, including over 25 dedicated to intelligent control components and over 10 focused on intelligent devices and solutions. As of March 31, 2026, majority of our production partners were located in Chinese Mainland. We also expanded our production partnerships in Taiwan, China, India, Vietnam, Mexico, Thailand and Tunisia.

We typically enter into long-term outsourcing production agreements of over three years with our production partners, unless terminated earlier subject to conditions thereof. We provide our production partners with major raw materials such as LCD controller chips and display panels, and pay them manufacturing fees. We place processing orders with production partners based on our business needs, and specify in each order the product design, technical specifications, SOPs and delivery schedule. Fees payable to the production partners are determined based on the quantity of the products and the complexity of the manufacturing techniques involved. We generally settle payments with our production partners upon the completion of their manufacturing services within a credit term ranging from 45 to 60 days.

Quality Control

We emphasize quality control in all aspects of our operations. From product development, sourcing of components to sale and delivery, we strictly control the quality of our products and components, to ensure our products meet our stringent internal standards as well as international and industry standards.

We have implemented various quality-control checks into our production process and the production process of our production partners. For example, each of our display products undergoes rigorous white balance calibration and uniformity testing before shipment, delivering industry-leading image performance. We cooperate with specialized third-party partner factories that we believe safeguards the quality of our products.

We devote significant resources to quality control of our products. We help ensure the quality of our operations through a comprehensive quality management system which is formulated in accordance with international standards such as ISO9001. This system encompasses nearly every aspect of our operations, including product design, R&D, procurement and production, ensuring compliance with both relevant regulatory requirements and our stringent internal quality standards. Our approach includes the execution of integrated product development and capability maturity model integration processes. We utilize internal reviews, specialized audits, root cause analysis and statistical process control to ensure our products meet the required standards before being released to the market.

During the Track Record Period and as of the Latest Practicable Date, we have never experienced any penalties in relation to production quality or any material product quality disputes.

Our Suppliers

Our suppliers are mainly manufacturers of LCD control chips and display panels, as well as our production partners.

Major suppliers

In 2023, 2024, 2025 and the three months ended March 31, 2026, purchases from our five largest suppliers amounted to RMB3,560.2 million, RMB3,241.4 million, RMB3,886.4 million and RMB1,405.4 million, accounting for 25.7%, 20.1%, 19.1% and 20.8% of our total purchases in the respective years/periods. In 2023, 2024, 2025 and the three months ended March 31, 2026, purchases from our largest supplier amounted to RMB1,092.0 million, RMB1,022.3 million, RMB1,089.7 million and RMB322.5 million, accounting for 7.9%, 6.3%, 5.4% and 4.8% of our total purchases in the respective years/periods.

During the Track Record Period, to the best knowledge of our Directors, none of our Directors, their associates or any of our current Shareholders (who, to the knowledge of our Directors, own more than 5% of our share capital) had any interest in our five largest suppliers in any period during the Track Record Period that are required to be disclosed under the Hong Kong Listing Rules.

Arrangement with our suppliers

We generally enter into framework agreements with our suppliers, with actual price and volume specified in individual purchase orders. The terms of these agreements vary depending on the specific product or solution and the result of our negotiation with each supplier, but these agreements generally contain the following terms:

Order placement	:	Procurement orders, which include the product name, quantity, unit price, total purchase amount, delivery date and location, and payment terms and conditions will be placed separately. Our suppliers generally do not impose a minimum purchase requirement on us.
Order forecast	:	We may provide non-binding order forecasts to suppliers for their reference.
Delivery	:	Suppliers are typically responsible for delivering ordered products to our designated location.
Credit terms and payment method	:	The credit terms and payment method shall be in accordance with the purchase order. We are typically offered a credit term of 30 to 60 days.
Product return	:	We conduct product inspections ourselves. If the products provided by suppliers fail to pass our inspection, they can be returned, and suppliers are responsible for associated costs. During the Track Record Period and up to the Latest Practicable Date, there had been no material claims between suppliers and us regarding product returns and refunds.
Duration	:	We typically enter into long-term agreements with our suppliers unless terminated earlier subject to conditions thereof.

Overlapping Customers and Suppliers

Two, two, two and one of our five largest suppliers in 2023, 2024, 2025 and the three months ended March 31, 2026 were also our customers in the same years, respectively. Our procurement from them amounted to RMB1,926.6 million, RMB1,830.2 million, RMB1,584.1 million and RMB308.0 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, accounting for 13.9%, 11.3%, 7.8% and 4.6% of our total procurement amount in the same years/periods, respectively, and our revenue from them amounted to RMB962.7 million, RMB1,411.5 million, RMB1,919.9 million and RMB223.3 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, accounting for 4.8%, 6.3%, 7.9% and 3.6% of our total revenue in the same years/periods, respectively.

Three, four, four and three of our five largest customers in 2023, 2024, 2025 and the three months ended March 31, 2026 were also our suppliers in the corresponding years. Our revenue from them amounted to RMB1,992.8 million, RMB2,740.7 million, RMB3,773.1 million and RMB892.6 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, accounting for 9.9%, 12.2%, 15.5% and 14.4% of our total revenue in the same years/periods, respectively, and our procurement from them amounted to RMB1,132.2 million, RMB1,348.7 million, RMB2,107.9 million and RMB517.9 million in 2023, 2024, 2025 and the three months ended March 31, 2026, respectively, accounting for 8.2%, 8.3%, 10.3% and 7.7% of our total procurement amount in the same years/periods, respectively.

The relevant transactions with the entities mentioned above are conducted on an arm's length basis.

We are engaged in the sale of control components, such as LCD controller boards, to brand companies in the electronics industry. Concurrently, we procure components, including display panels, and collaborate with production partners to manufacture our intelligent devices and solutions, which we also sell to companies within the same industry. As a result of our business model, there was an overlap between our customers and suppliers during the Track Record Period. In particular, we primarily sourced display panels from several major suppliers during the Track Record Period, some of whom also purchased our LCD controller boards. Conversely, we also sold LCD controller boards to certain major customers from whom we also sourced display panels.

Display panels are key components in our commercial display products, such as IFPDs. As we do not manufacture display panels in-house, we procure them from third-party manufacturers, including from certain television manufacturers that also supply display panels to the broader market. At the same time, LCD controller boards are upstream components of LCD display products. While these boards are essential, not all manufacturers of display panels produce their own LCD controller boards. As a result, some of our display panel suppliers, such as those producing televisions or other display products, may purchase LCD controller boards from us to integrate into their own end products.

The display panels we procure do not include the LCD controller board as part of the panel itself. The controller board is a separate component that will be integrated during the assembly of the final display product.

INTRA-GROUP TRANSACTIONS

In our ordinary course of business, we conduct certain intra-group transactions among our entities in different jurisdictions. During the Track Record Period, our intra-group transactions primarily include the following:

- ***Sale of finished products from domestic entities to overseas trading entities***. Shiyuan HK and Shiyuan (SG) Pte. Ltd. function as our overseas trading platforms. They purchased finished products from domestic entities, including Shirui Electronic, Shiyuan Innovation and Guangzhou Shikun, which are responsible for manufacturing and then sold to overseas customers.
- ***Sale of raw materials from Shiyuan HK to other entities***. Shiyuan HK also purchased raw materials from third-party suppliers and sell them to certain domestic and overseas entities, including Guangzhou Shikun, Dream Future Ltd. and Shiyuan India Private Limited, which are responsible for manufacturing.
- ***Sale and purchase of raw materials and finished products between domestic entities***. Certain domestic manufacturing entities engaged in sales and purchases of raw materials and finished products pursuant to their delineation of functions. For example, Guangzhou Shikun and Shiyuan Innovation purchased raw materials from Shirui Electronic and then sold finished products back to Shirui Electronic.

The OECD, an international organization of cross-border cooperation, promulgated the transfer pricing guidelines for multinational enterprises and tax administration ("**OECD TP Guidelines**"), which is generally followed by the relevant tax jurisdictions dealing with the related party transaction worldwide. According to the OECD TP Guidelines, our intra-group transactions should be priced at arm's length principle.

We have engaged an independent transfer pricing consultant, Ernst & Young (China) Advisory Limited, to provide analysis on our intra-group transactions in relation to the provision of raw materials and finished products.

During the Track Record Period, we were not subject to any penalties, investigations, inquiries or transfer pricing audits carried out by local tax authorities in relation to these intra-group transactions. Our Directors are of the view that the above-mentioned intra-group transactions were in line with the arm's length principle and we were in compliance with the relevant transfer pricing laws and regulations during the Track Record Period, based on assessments provided by our independent transfer pricing consultant.

Our Directors confirm that in ensuring ongoing compliance with the applicable transfer pricing laws and regulations, we plan to take the following measures:

- review and monitor the transfer pricing arrangements from time to time, and continue to engage an independent transfer pricing consultant to carry out review on transfer pricing initiatives to ensure our transfer pricing arrangements are in line with the arm's length principle;
- provide training to teams responsible of such transactions, keeping them informed of transfer pricing laws and regulations in different jurisdictions; and
- continue to monitor the profitability of our subsidiaries and adjust pricing arrangements as appropriate.

Procurement and Inventory Management

Our inventory primarily includes raw materials, such as LCD control chips and display panels, finished goods and components and materials used for outsourced manufacturing. Our strong market share provides a significant scale advantage in raw material procurement, enabling us to reduce procurement costs. This scale has also allowed us to forge close partnerships with leading upstream chip manufacturers and major LCD panel suppliers, keeping us at the forefront of supply chain technology developments and supporting continuous product innovation, which in turn drives faster inventory turnover.

To maintain our competitive position and align our products with evolving market demands, we have implemented various measures to optimize our inventory levels, such as enhancing our inventory management processes. We have established internal procedures for submission and approval to streamline logistics and standardize purchase orders for our products. We employ enterprise-resource-planning software to track inventory levels as well as ensure appropriate levels of raw materials and finished products, and monitor the inflow and outflow of items from our warehouses in real-time.

Logistics

We are responsible for shipping our products to our customers. When selecting a logistics service provider, we typically consider their specialty and professional qualification, price, reputation, transportation efficiency, transportation capability and their track records. We also require our logistics providers to possess transportation permits and other relevant qualifications to conduct their business, as well as other qualifications as required by law. We normally enter into one-year agreements with our logistics companies and evaluate their performance on an annual basis. We purchase insurance policy against the risks associated with delivery of our system products, including those arising from traffic accidents or delivery delays.

During the Track Record Period and up to the Latest Practicable Date, we had not experienced any significant delay in delivery that materially affected our business operations.

Warranty and After Sales Services

We offer a warranty period ranging from one year to five years, depending on the product type, as stated in our contracts with our customers. The warranty period typically starts from the date of shipment of the products. Our warranty term is usually limited to defects or failure of products or services that do not meet the quality standards as specified and agreed with our customers. In case of product failure within the warranty period, we will arrange for repair or replacement of products without extra charge. After the warranty period expires, we may provide maintenance and repair services at a reasonable cost.

We have devised a standard operation procedure for customer service. We collect and record customer feedbacks and complaints from different channels and make timely responses in order to achieve customer satisfaction.

We accept returns of our products for defects. We believe our return policy is consistent with the relevant laws and regulations governing product quality and consumer rights and interests. We have not received any requests for returns during the Track Record Period which individually or in aggregate have a material adverse effect on our business and financial condition. In addition, during the Track Record Period and up to the Latest Practicable Date, we have not experienced any product recall that adversely impacted our reputation, business operations or financial condition.

INTELLECTUAL PROPERTIES

Our research and development efforts have produced over 11,000 patents, over 5,000 registered trademarks and 990 software copyrights as of March 31, 2026. See "Appendix IV — Statutory and General Information — Further Information about the Business — Intellectual Property."

We rely on a combination of intellectual property protections laws in the jurisdictions in which we operate and contractual arrangements (including confidentiality provisions) to establish and protect our proprietary technologies, know-how and other intellectual property rights. Our legal department is primarily responsible for protecting our intellectual properties. We proactively manage and expand our intellectual property portfolio and use confidentiality and non-compete clauses to protect our intellectual properties and trade secrets.

During the Track Record Period, we did not experience any material infringement of our intellectual property rights. Neither our Group nor any of our intellectual properties was the subject of, or to the best of the Directors' knowledge, is expected to be subject to, any material disputes or litigation in relation to the infringement of any intellectual property rights during the Track Record Period.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE MATTERS

Environmental, Social and Governance ("**ESG**") considerations are an essential part of our business strategy. We are committed to building a lasting brand, and we believe our long-term success rests on our ability to make positive impacts on the environment and society.

ESG Governance

We have established a tiered, comprehensive ESG management framework, consisting of the Board, the Strategy and ESG Committee, the ESG management committee and an ESG working group in charge of implementing our ESG policies.

The Board and the Strategy and ESG Committee are primarily responsible for setting the ESG development direction, strategies and objectives, reviewing and approving our ESG management framework, ESG reports and major matters related to ESG. The ESG management committee is primarily responsible for researching, analyzing and evaluating matters related to ESG, raising ESG suggestion to the Board, guiding the daily implementation of ESG work and the preparation of ESG reports. The ESG working group is primarily responsible for formulating our ESG strategies, objectives, plans and related policies, collecting information about the progress of our ESG work, and coordinating the various business functions of our Company in setting ESG management indicators and detailed ESG measures.

In 2024, our global brand *MAXHUB* became a member of the United Nations Global Compact ("**UNGC**"), and committed to supporting its ten principles across four key areas encompassing human rights, labor, environment, and anti-corruption.

We assess the materiality of ESG risks across the short, medium, and long term, which we define as within the next 1 year, 1 to 3 years, and beyond 3 years, respectively. In our assessment, we consider both qualitative and quantitative factors, evolving regulatory requirements, stakeholder expectations, and industry best practices. We adopt quantifiable metrics such as greenhouse gas emissions intensity, energy and water usage per unit of production, workplace safety incident rates, and the proportion of suppliers meeting our ESG standards. These metrics are reviewed regularly to benchmark our performance and guide our risk management priorities.

The impact of material ESG risks is evaluated in relation to our business operations, long-term strategy, and financial planning, with a focus on areas such as compliance costs, supply chain continuity, brand reputation, and access to financing. To mitigate these risks, we have implemented measures including investments in energy-efficient technologies, enhanced ESG due diligence for suppliers, strengthened health and safety programs, and robust environmental incident response plans.

Material ESG Topics

Material ESG topics serve as key focal points for the management of our sustainable development. We actively identify and monitor the actual and potential ESG-related risks to our business, strategy and financial performance. We integrate these risks into our sustainability strategies to align with stakeholder expectations and sustainability trends. We may also engage independent external advisors to evaluate ESG-related risks and review our existing strategy, targets, and internal control measures. We will then implement necessary improvements to mitigate or transfer any significant ESG-related risks identified.

This process helps ensure a thorough and systematic approach to assess ESG materiality in our business. By inviting active participation from all stakeholders, we are able to establish channels through which their concerns can be heard and addressed.

Identifying ESG Risks

We have adopted the following approaches and strategies to evaluate priorities and manage material ESG-related issues.

Identification — industry benchmarking

- We identify important topics with reference to Morgan Stanley Capital International ("**MSCI**") standards, as well as benchmarking with leading domestic and foreign industry players.
- The materiality of each ESG area is determined based on the importance of each ESG area to us through internal discussion with our management.

Prioritization — stakeholder engagement

- We discuss with key stakeholders on key ESG areas identified to ensure that (i) all the key aspects are covered; and (ii) the material issues are ranked in order of importance.

Validation — determining material issues

- Based on the discussion with key stakeholders and internal discussion among our management, our management ensured that all the key and material ESG areas, which are important to our business development, are reported and complied with relevant environmental laws and regulations.

Environment

Climate change-related risks

We have positioned climate change and carbon emissions as core strategic priorities in our sustainable development agenda. Climate change may result in shifts in weather patterns, which may increase the frequency of extreme weather conditions, disrupting supply chains, delaying production and delivery schedules, which would eventually impact the manufacturing, delivery and maintenance of our products and solutions offered to end customers. We have established a climate governance framework based on our sustainability management system. The Board is the highest institution of our climate governance framework.

Furthermore, in accordance with relevant requirements, we regularly carry out greenhouse gas emissions accounting, and perform independent verification of greenhouse gas emissions in 2024, strengthening the foundation of our carbon emissions data. We are also aware that many geographic markets where we operate have been committed to achieving carbon neutrality or net-zero emissions by 2050 or other similar timeline. In the medium to long term, the governments may revise existing or enact new environmental or climate-related laws and regulations to strengthen climate-related requirements, which may affect the manufacturing costs, transportation logistics and delivery schedule of our products and solutions, and eventually affect our business, operations and financial position. As a result, we have proactively taken the climate-related issues into account when formulating and implementing our business strategies in the geographic markets where we operate to adapt to the evolving climate-related regulatory landscape.

In the future, we will further enhance the effectiveness of our carbon emission management by consistently measuring and transparently disclosing the carbon emissions from our operations. Aligned with our operational characteristics and development strategy, we will gradually establish reasonable and achievable quantitative carbon emission targets to support low-carbon and sustainable development.

Energy management

We actively advance our energy management through various measures, including enhancing energy efficiency and implementing renewable energy solutions.

To strengthen our efforts, we have established internal systems such as the Resource and Energy Management Specifications and formed an energy-saving leadership team led by the General Manager to coordinate company-wide energy conservation initiatives. These efforts aim to standardize our energy management practices, foster a green office culture, and promote low-carbon environmental protection. We continuously explore ways to enhance energy efficiency through advanced technology and management. We actively implement a peak-valley electricity price storage strategy, achieving over 410,000 kWh of stored electricity in 2024. Several of our subsidiaries have also obtained ISO 50001 energy management system certification.

Furthermore, we are committed to advancing the use of clean energy by harnessing solar power through photovoltaic systems. This initiative helps reduce our reliance on traditional energy sources and supports the ongoing energy transition. By 2024, our photovoltaic power generation systems have been successfully implemented across the Fifth Industrial Park in Guangzhou, Xi'an Industrial Park, and Hefei Industrial Park, generating a total of 679,300 kWh in 2024 and making significant progress in optimizing our energy structure.

Water resources management

To improve water use efficiency, we have implemented various water-saving measures and actively developed and utilized non-conventional water sources. For example, rainwater harvesting systems have been built to collect and treat rainwater for landscape irrigation, reducing reliance on traditional water sources and achieving diversified water supply.

In addition, we actively promote water-saving technologies and equipment, such as water-saving fixtures and smart irrigation systems, to further optimize the efficiency of water resource use.

Waste management

Solid Waste

For general solid waste, we classify it and entrust qualified third-party recycling agencies for proper recycling and disposal. For industrial hazardous waste, we strictly comply with relevant regulations, regularly report waste transfers on the Solid Waste Management Information Platform of Guangdong Province, and engage certified third-party agencies to ensure compliant disposal of hazardous waste.

Wastewater

The wastewater we generate primarily consists of domestic sewage and a small amount of industrial wastewater. After pre-treatment in septic tanks and ensuring it meets the standards, domestic sewage is uniformly discharged into the municipal sewage network. For industrial wastewater, we entrust it to a certified hazardous waste disposal unit for standardized treatment, ensuring the safety and compliance of the entire wastewater management process.

Waste Gas

We strictly adhere to waste gas management regulations to control emissions. Through rigorous treatment processes, we ensure that waste gases are purified by treatment equipment and meet emission standards, effectively preventing air pollution. In 2024, our Fifth Industrial Park smart manufacturing factory added RCO waste gas treatment facilities, which efficiently decomposed harmful substances in organic waste gas at a lower temperature, increasing the organic waste gas treatment capacity to 95,000 m^3 per hour.

Metrics and Targets

We monitor the following indicators to assess and manage our environmental and climate-related risks arising from our business and production activities:

	Year Ended December 31,			Three Months Ended March 31,
	2023	**2024**	**2025**	**2026**
Greenhouse Gas Emissions				
Scope I(1) (tCO_2e)	1,835.3	2,209.6	2,670.3	207.7
Scope II(2) (tCO_2e)	20,794.9	38,220.0	38,422.9	7,649.0
Scope III(3) (tCO_2e)	N/A	69,540.2	57,664.4	7,638.2
Electricity Consumption				
Total electricity consumption (MWh)	36,463.1	70,359.3	72,414.1	14,334.6
Water Consumption				
Total water consumption (thousand tons)	396.3	448.4	435.2	96.1
Solid Wastes(4)				
Toxic wastes (tons)	70.1	17.7	194.3	33.6
Non-toxic wastes (tons)	1,523.7	1,795.7	94.7	3,338.9
Total solid wastes (tons)	1,593.8	1,813.4	289.0	3,372.5

Notes:

(1) Greenhouse gas emission (Scope I) calculates emissions from direct sources within the organizational boundary, including stationary combustion, mobile combustion, and fugitive emissions. The main reason for the increase from 2023 to 2024 is that the statistical scope of this data has been expanded to include fugitive emissions, reflecting the Company's continued efforts to align with global climate strategies and enhance the comprehensiveness of its emissions accounting.

(2) Greenhouse gas emission (Scope II) calculates emissions from purchased electricity consumed in our business operations. The main reason for the increase from 2023 to 2024 is because our self-owned smart manufacturing facility became operational in 2024.

(3) We started systematic recording and evaluation of greenhouse gas emissions (Scope III) in 2024. We selected some of the Scope III categories for accounting and disclosure based on our materiality assessment criteria and taking into account our industry characteristics, business relationships, data availability and disclosure costs.

(4) The solid wastes refer to the volume outsourced for disposal. As of December 31, 2025, solid waste from our intelligent manufacturing facility is primarily stored temporarily in the compliant on-site waste warehouse. It has been sorted, packaged and moved to the transfer warehouse, with outsourced disposal planned for completion in 2026. Therefore, the data of this portion of solid wastes will be reflected in 2026 and the data of solid wastes in 2025 were relatively lower compared to 2023 and 2024.

Based on the performance in the past years, we will formulate environmental targets that are more in line with the actual development of us and applicable industry standards in the future. We expect to, by 2030, (i) source 15% of our electricity from green energy, (ii) reduce water intensity by 5% per RMB10,000 of revenue as compared to the level in 2024, and (iii) reach peak operational carbon emissions. In addition, we target to achieve operational carbon neutrality by 2050 and are committed to achieving zero general waste to landfill and maintaining full compliance in hazardous waste management.

Social Responsibility

Supply Chain Management

We place great emphasis on supply chain management and are committed to establishing a responsible and sustainable green supply chain. As of March 31, 2026, we had over 1,800 suppliers along our robust supply chain, a majority of whom is based in Chinese Mainland. We have established a comprehensive supply chain management system and continuously improved a series of internal supplier management regulations, including the Supplier Performance Evaluation Management Standards and Supplier Code of Conduct. Meanwhile, by utilizing our SRM system, we have achieved integrated, standardized and refined management of suppliers. In addition, we continue to reinforce our sustainable supply chain management capabilities by integrating sustainability into our supply chain management system, which enables us to identify, evaluate and manage environmental and social risks along the supply chain in a timely manner. For suppliers with poor performance, we issue non-compliance rectification plans and oversee corrective actions. For instance, in 2024, we conducted on-site assessments of over 330 suppliers. Among them, 20 suppliers were identified as having relatively poor ESG performance, and we required and monitored each of them to implement the prescribed corrective actions and rectification plans.

Admission assessment. We conduct thorough qualification reviews of suppliers during the supplier admission assessment, covering essential assessment items such as qualifications and certifications, operational risks, and safety requirements, as well as reference evaluation factors including industry reputation, upstream resources, and production capacity scale.

Compliance commitment. We require suppliers to strictly comply with environmental requirements, ensuring they obtain, maintain, and renew all legally mandated environmental permits, approvals, licenses, and registrations. Suppliers must commit to using natural resources prudently, including water, fossil fuels, minerals and forest timber. We require our suppliers to strictly comply with applicable laws and regulations, as well as our internal hazardous substances management standards. The use or discharge of any prohibited substances explicitly listed in our guidelines is strictly forbidden. In addition, the use of conflict minerals is strictly prohibited, and we have fully implemented conflict minerals management in accordance with the Responsible Business Alliance ("**RBA**") standards. These efforts are regularly reviewed through audits and supplier assessments to ensure alignment with our sustainability goals. Additionally, we sign Integrity Agreements with suppliers and conduct supplier conferences to promote anti-corruption initiatives, emphasizing our firm stance against all forms of commercial bribery, fraud, and unfair competition practices.

Regular evaluation. We have implemented a structured supplier performance evaluation mechanism to regularly assess suppliers across multiple dimensions, including quality, cost, delivery, service, and technological capabilities. For direct suppliers rated as high-risk and all raw material suppliers, we conduct on-site evaluations covering multiple critical areas, including but not limited to environmental management systems, hazardous substance control, product quality and safety, and occupational health and safety.

Occupational Health, Safety and Care

We attach great importance to employees' occupational health and safety, continuously improving our safety management system and enhancing safety management capabilities to create a safe working environment for employees. The Company legally contributes to employees' work injury insurance and additionally provides commercial insurance including employer's liability insurance and public liability insurance to safeguard employees' occupational health and life safety. To effectively reduce and eliminate occupational health and safety risks, we regularly conduct inspections and assessments of workplace safety risks and hazards. We actively promote digital transformation in safety management and have established a series of digital management systems, including hazard rectification system, incident reporting system, and smart fire protection system.

Employee diversity and equality

We uphold a fair and equitable employment philosophy, continuously optimizing its talent structure while firmly opposing any form of discrimination based on gender, race, religion, age, nationality, or health status. We strive to foster an inclusive, diverse, and harmonious working environment and we are committed to fostering an inclusive and diverse culture, providing equal employment and promotion opportunities for every employee.

The following table sets forth the number of full-time employees by gender as of the dates indicated.

	As of December 31,			As of March 31,
	2023	2024	2025	2026
Female	1,938	1,898	1,889	1,849
Male	4,842	4,795	4,834	4,822

Career Development

We are committed to investing in training and career development programs and have established a comprehensive training system covering management, compliance, research and development, sales and marketing, quality control and information security, ensuring holistic talent development. We have established a digital learning platform hosting over 8,000 standardized courses. In 2025, we conducted more than 8,000 training sessions, ensuring 100% participation across all employees.

Additionally, we have established a comprehensive, standardized, and scientifically rigorous employee assessment system. We offer distinct career development paths for both managerial and professional staff, ensuring equal growth opportunities across all roles. To better support employees' career aspirations, we enable internal transfers based on individual development plans, allowing them to excel in their areas of interest.

Community Relations Management

We are committed to promoting rural revitalization and community welfare through a variety of initiatives. We have launched the "*seewo* public welfare initiative" project, which has invested a total of RMB62.3 million as of March 31, 2026, covering 31 provinces, municipalities, and autonomous regions across the country. This project has benefited over 57,000 teachers and 660,000 students. Our Volunteer Service Team has organized a variety of activities, including tree planting, elder care, and blood donation. In 2025, a total of 1,824 employees participated in volunteer efforts, contributing over 11,000 hours of service.

Corporate Governance

Anti-corruption and Anti-bribery

We strictly abide by the Company Law of the People's Republic of China (《中華人民共和國公司法》), the Anti-Unfair Competition Law of the People's Republic of China (《中華人民共和國反不正當競爭法》) and other relevant local laws and regulations. We have established and implemented internal systems such as the Integrity System, Employee Conflict of Interest Management System, and Code of Business Ethics. We regularly conduct conflict of interest declarations for all employees and suppliers to comprehensively regulate the business conduct of all stakeholders. To continuously enhance the effectiveness of our anti-corruption system, we have established a discipline inspection and supervision team to oversee and evaluate the implementation of anti-corruption measures. The team regularly reports on the effectiveness of these efforts to the Board, ensuring the effective enforcement of business ethics management.

We actively foster a culture of integrity in the workplace. Every year, we conduct anti-corruption training and integrity culture awareness programs for all employees, emphasizing the strict prohibition of accepting bribes in any form and other fundamental ethical standards. These initiatives aim to guide employees in strengthening their self-discipline and commitment to integrity.

DATA PRIVACY AND CYBERSECURITY

In recent years, data privacy and cybersecurity have emerged as critical governance priorities for companies worldwide. In particular, the PRC legislative and government authorities regularly introduce new cybersecurity, data security and privacy laws and regulations. Consequently, our practices regarding the collection, process and transfer of various types of data may come under increased administrative scrutiny. See "Risk Factors — Risk Relating to Our Business Operations — Our operations rely on IT systems and networks, and IT system failures, network disruptions or cybersecurity breaches may affect our business."

We collect and store business data, management data and transaction data generated during or in connection with our business operations, including data related to our business and transactions with our customers, suppliers and other relevant parties.

Our legal and information technology departments are responsible for developing and implementing our policies and procedures relating to cybersecurity and data security.

We have established a comprehensive data compliance system that consists of organizational structure and internal policies. Our platforms and procedures ensure that we have a comprehensive set of protocols covering the prevention of data breaches, immediate action and response in case of data incidents and post-incident assessment and analysis. Our data security policies have been certified under ISO27001. In addition, we conduct annual trial runs of data breach incidents to test our data protection mechanism and provide various data security trainings to our employees (including trainings during their on-boarding process) to ensure that our employees are well aware of our data security policies and their responsibilities in terms of data protection. We require our employees to pass our data security tests before they can commence working for us.

During the Track Record Period, we had complied with applicable laws and regulations related to cybersecurity and data protection in all material aspects.

INFORMATION TECHNOLOGY

Our information technology systems are essential to our business operations. We have developed or employ various information technology systems covering all material aspects of our operations, including sales, supply chain management, inventory management, production and quality control. Our information technology department is responsible for developing and maintaining information technology systems to support our business operations and growth.

Our key information technology systems are set forth below:

- Our customer relationship management system manages customers' information and sales processes. It helps to track potential customers and sales opportunities in order to enhance efficiency, reduce human errors and increase customer satisfaction.
- Our enterprise resource planning system provides a unified platform that enables cross-departmental collaboration and enhances overall operational efficiency. It delivers real-time business data to help management in decision-making.
- Our supplier relationship management system optimizes supply chain processes by predicting demand, managing inventories, reducing costs and enhancing the flexibility of the supply chain. It helps to ensure timely supply of raw materials and products.
- Our quality management system monitors and controls product quality to ensure compliance with our and industry standards. By conducting quality inspection and analysis, it detects and resolves quality issues early on and minimizes product defects.

COMPETITION

We operate in highly competitive markets, and we compete with intelligent devices and solutions providers and intelligent control components providers. Our ability to maintain and grow our market share depends on us competing effectively against our competitors. The competitive landscape is shaped by multiple factors, including the growth of our customers and their respective industries, advancements in technology, emergence of new technology, regulatory changes and general economic conditions. See "Industry Overview" for details relating to our competitive landscape.

INSURANCE

We maintain insurance policies to cover product liability. In addition, we have purchased a number of property-related insurance policies covering our facilities, machinery, equipment, inventories and other assets. We review our insurance policies from time to time to assess the adequacy and breadth of coverage. We believe that our existing insurance coverage is adequate for our business operations and is in line with industry standards in the countries in which we operate. Nevertheless, we may be exposed to claims and liabilities which exceed our insurance coverage. See "Risk Factors — Risks Relating to our Business Operations — Our insurance coverage may not cover all losses related to our operational risks" for details.

During the Track Record Period, we had not made, and were not the subject of, any insurance claims which are material to our business or financial condition.

PROPERTIES

As of March 31, 2026, we operated our business through self-owned and nearly 70 leased properties with a gross floor area of over 720,000 square meters in China and overseas. We primarily use our properties as our office, R&D and operation premises.

As of March 31, 2026, we had no single property with a carrying amount of 15% or more of our total assets, and on this basis, we are not required by Rule 5.01A of the Hong Kong Listing Rules to include any valuation report in this Document. Pursuant to section 6(2) of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice, this Document is exempted from compliance with the requirements of section 342(1)(b) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance in relation to paragraph 34(2) of the Third Schedule to the Companies (Winding Up and Miscellaneous Provisions) Ordinance, which requires a valuation report with respect to all of our interests in land or buildings.

EMPLOYEES

As of March 31, 2026, we had 6,671 full-time employees, with over 90% of our employees located in China. The following table sets forth a breakdown of our full-time employees by function as of March 31, 2026.

	As of March 31, 2026	
Function	**Number**	**%**
Technology[1]	3,729	55.8
Sales and marketing	1,473	22.1
Administrative	744	11.2
Supply chain	359	5.4
Finance	146	2.2
Production	220	3.3
Total	**6,671**	**100.0**

Note:

(1) includes our R&D personnel and employees in other departments responsible for technology function.

We provide our employees with certain benefits including social insurance coverage and retirement benefits. We enter into individual employment contracts with our employees to cover matters such as wages, employee benefits, confidentiality and grounds for termination. Our employees' compensation is determined with reference to their job positions, technical skills, job performance and competition. We have various employee training programs that aim to enhance our employees' technical skills and innovation capability.

We believe that we have good employment relationships with our employees. During the Track Record Period, we did not experience any strikes, work stoppages, labor disputes or labor-related actions which had a material adverse effect on our business and operations.

Social Insurance and Housing Provident Funds

During the Track Record Period, we had not made social insurance and housing provident funds for some of our employees in full in accordance with the relevant PRC laws and regulations. In addition, we engaged third-party human resource agencies to pay social insurance and housing provident funds for a small number of our employees during the Track Record Period.

As advised by our PRC Legal Advisor, for the shortfall of social insurance, we may be subject to the following legal consequences: (i) to compensate for the shortfall within a prescribed period and to pay a daily overdue charge of 0.05% of the delayed payment amount, and (ii) to pay a fine of one to three times of the overdue amount if such payment is not made within the stipulated period. For the shortfall of housing provident funds, we may be subject to the following legal consequences: (i) to compensate for the shortfall within a prescribed period, and (ii) an application may be made to the courts for compulsory enforcement if the payment is not made within such time limit.

We might be subject to additional contribution, late payment fee and/or penalties imposed by the relevant authorities if the third-party human resource agency failed to pay the social insurance or housing provident funds for the relevant employees in full amount and/or in a timely manner, or if the validity of such arrangements are challenged by relevant authorities. We might also be subject to potential labor disputes arising from such arrangements with the relevant employees.

As of the Latest Practicable Date, (i) to our knowledge and based on the written confirmations issued by the competent local government authorities of our Company and our PRC subsidiaries, no administrative penalty had been imposed by the relevant regulatory authorities with respect to our social insurance and housing provident fund contributions; (ii) according to the Circular of the General Office of the State Council on Issuing the Comprehensive Plan for Reducing Social Insurance Premium Rates (Guo Ban Fa [2019] No. 13) (《國務院辦公廳關於印發降低社會保險費率綜合方案的通知》(國辦發[2019]13號)) and the Notice of the State Taxation Administration on Implementing Measures to Further Support and Serve the Development of Private Economy (《國家稅務總局關於實施進一步支持和服務民營經濟發展若干措施的通知》), it is prohibited for relevant authorities to organize a centralized collection of enterprises' historical social insurance arrears; (iii) we had not received any order to collectively settle the total deficit amount; (iv) we were not aware of any material complaint filed by any of our employees regarding our social insurance and housing provident fund policy; and (v) we undertake to make timely payments for the outstanding amount and late charges, as soon as requested by the competent government authorities.

In addition, we have taken the following internal control measures to ensure compliance with the social insurance and housing provident fund contribution requirements under the relevant laws and regulations to the extent practicable:

- *Training*. Upon onboarding, new employees receive training to familiarize them with the latest regulatory requirements and local practices relating to social insurance and housing provident funds;
- *Internal resources*. We have established a dedicated team responsible for providing advice on social insurance and housing provident fund matters. The team maintains and publishes a comprehensive list of frequently asked questions, and all employees may directly contact the team for consultation;

- *Increasing awareness of developments in the law*. Regularly keep our employees abreast of the latest developments in PRC laws and regulations relating to social insurance and housing provident funds; and
- *External counsel*. Consult external legal counsel for advice on relevant PRC laws and regulations.

Considering relevant regulatory policies and the facts stated above, provided that there are no material changes to the current social insurance, housing provident fund policies and regulations, or to the enforcement and supervision requirements of local governments and in the absence of collective employee complaints or litigation or arbitrations, our PRC Legal Advisor is of the view that the likelihood that we would be actively required by relevant authorities to pay the shortfall for social insurance and housing provident fund contributions in a centralized manner and/or be subject to material administrative penalties due to our failure to provide full social insurance and housing provident fund contributions is remote.

RISK MANAGEMENT AND INTERNAL CONTROL

Our future operating performance may be affected by risks relating to our business. Some of these risks are specific to us while others relate to economic conditions and the general industry in which we operate. See "Risk Factors" for a discussion of these risks.

The Board of Directors and our senior management are responsible for establishing and maintaining adequate risk management and internal control systems. Risk management is the process designed to identify potential events that may affect us and to manage risks to be within our risk appetite. Internal control is the process designed to provide reasonable assurance regarding achievement of objectives related to effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations.

Risk Management and Internal Control Policies

We have implemented or will adopt upon [**REDACTED**] a number of policies and measures to manage our risks and set up proper internal controls. These policies cover areas such as (i) the duties and roles of the Directors, the Board and our senior management; (ii) social and environmental matters, including policies on diversity; (iii) financial reporting; (iv) whistleblowing; (v) prevention of market misconduct and (vi) compliance with the Hong Kong Listing Rules.

Under our risk management and internal control policies, the Board oversees risk management and internal control systems on an ongoing basis and reviews the effectiveness of these systems.

In 2025, we engaged an independent consulting firm to perform a review over our internal control. The key areas of inspection include financial reporting and disclosure, research and development management, management policies over sales, supply chain controls, trade receivables and payables management, product safety control, inventory management, intangible assets management, human resource and remuneration management, capital management, tax management, insurance management, contract control and information system control.

Financial Investment Management

We have formulated the following policies and strategies to manage our investments in financial products:

- We make investment decisions primarily based on our estimated capital requirements and annual budgets and take into account the duration, expected returns and risks of financial products;
- Our finance department is in charge of overseeing our financial product investments, and is required to seek prior approvals from the Board before making or redeeming any investment. Mr. Hu Lihua, person-in-charge of finance, has over ten years of experience in financial management;

- Our audit department closely monitors our investments in financial products and reports to our management when any unusual circumstances or material adverse changes regarding the expected returns and principal of our wealth management products occurs. Our audit department prepares periodic reports regarding our investments in financial products for our management's review; and
- Our investments in financial products, depending on, among others, the size and nature, will be subject to the compliance with Chapter 14 of the Listing Rules after the [**REDACTED**].

LICENSES, PERMITS AND APPROVALS

We are required to obtain or maintain various licenses, permits and approvals in order to operate our business. We believe we have all material licenses, permits and approvals necessary in order to operate our business. We continually monitor our compliance with these requirements in order to ensure that we have all such approvals, licenses and permits as are necessary to operate our business.

We had not experienced any material difficulties in renewing such licenses, permits or approvals during the Track Record Period and do not expect there to be any material difficulties in renewing them upon their expiry.

LEGAL PROCEEDINGS

We may from time to time become a party to various legal, arbitral or administrative proceedings arising in the ordinary course of our business.

As of the Latest Practicable Date, there were no litigation, arbitration or administrative proceedings pending or threatened against us or any of our Directors which could have a material and adverse effect on our business, financial condition or results of operations.

During the Track Record Period and up to the Latest Practicable Date, there were no breaches or violations of laws or regulations applicable to us which are expected to have a material adverse effect on our business, financial condition or results of operations.

U.S TARIFFS AND EXPORT CONTROL MEASURES

U.S. Tariffs

In February 2025, the president of the United States imposed a 20% "fentanyl tariff" on Chinese goods. On April 2, 2025, the president of the United States imposed a 10% across-the-board tariff on all imports from the U.S.'s trading partners (together with the fentanyl tariff, the "**Additional US Tariffs**"), along with additional country-specific tariffs for various countries, as adjusted from time to time (the "**Reciprocal Tariffs**"). The Additional US Tariffs and Reciprocal Tariffs are in addition to other generally applicable U.S. tariff measures, trade remedies, and national security tariffs. The United States and China are engaging in trade discussions. The Additional US Tariffs as fentanyl tariffs on China would be 10% while the Reciprocal Tariffs on China are maintained at 10% through November 10, 2026.

On May 28, 2025, the U.S. Court of International Trade ruled that the Additional U.S. Tariffs exceeded the president's legal authority, which was affirmed by the U.S. Court of Appeals for the Federal Circuit on August 29, 2025. On February 20, 2026, the U.S. Supreme Court issued its opinion affirming the lower court's ruling, striking down the tariffs implemented pursuant to the International Emergency Economic Powers Act (IEEPA), including the Reciprocal Tariff and the Fentanyl Tariff. Following this decision, the administration rescinded the IEEPA-based tariffs but concurrently imposed new 10% tariffs on a global basis for a 150-day period under separate statutory authority and discussed plans to rely on other statutory authorities to impose additional tariffs. The U.S. tariff policies are rapidly evolving, and the final outcome, including the timing, impact and potential legal challenges regarding any newly implemented tariffs, is highly uncertain.

To assess the potential indirect and subsequent impacts arising from U.S. tariffs, we have undertaken a number of internal measures as part of our risk management and supply chain planning processes. These include ongoing monitoring of tariff developments and trade policy changes, and consultations with legal and other advisors to evaluate how specific tariff actions may affect our operations, cost structures, and customer relationships. We also regularly review our supply chain and logistics arrangements to identify potential exposure points, such as contract manufacturers that may be indirectly affected by tariffs, even if our own products are not directly targeted.

Despite these efforts, the magnitude of the indirect and subsequent impact of U.S. tariffs cannot be reliably quantified, primarily because such impacts depend on a number of unpredictable external factors, including the specific scope and duration of future tariff measures, potential retaliatory actions by other countries, shifts in global trade flows, changes in customer behavior, and overall market sentiment.

Nevertheless, we believe that the US tariffs, assuming they are enforced as proposed, will not have a material and adverse impact on our business and results of operations for the reasons set forth below.

(a) We make very limited direct exports to the U.S.

During the Track Record Period, we only generated a very limited portion of revenue from direct export to the U.S. In 2023, 2024, 2025 and the three months ended March 31, 2026, our revenue generated from the U.S. amounted to RMB1,117.4 million, RMB1,319.5 million, RMB979.9 million and RMB248.2 million, accounting for 5.5%, 5.9%, 4.0% and 4.0% of our total revenue for the respective years/periods. During the Track Record Period, all the direct sales to the U.S. were contributed by products manufactured in and delivered from manufacturers located in China and Vietnam.

Vietnam has reportedly reached a trade agreement with the U.S. Certain exports from Vietnam to the U.S. are subject to a reciprocal tariff of 20%. Our products from Vietnam and China are exempted from such reciprocal tariff under the Clarification of Exceptions Under Executive Order 14257 of April 2, 2025 (as amended) and therefore the applicable tariff rate is 0%. However, the fentanyl tariffs are still applicable to our Chinese products.

Given that the revenue contribution from direct sales to the U.S. by us is very limited, even if we experience a decrease in our direct sales to the U.S. due to the tariffs, it will not result in a material adverse effect to our business and results of operations.

(b) Customers who import our products are responsible for the tariffs

As explained above, we rarely export our products directly from China to the U.S., and the downstream customers who import our products into the U.S. are responsible to pay any tariffs imposed by the U.S. for importing goods into the U.S. While a tariff on our products may be passed along the supply chain, either upstream or downstream, none of our current contracts with our customers allow for price adjustment due to tariffs payable by the customers. As of the date of the Latest Practicable Date, we had not experienced any cancellation of orders due to the U.S. tariffs. In addition, we had not experienced any material adverse changes in the order volume, price, customer payment or logistics arrangements that had a material impact on our business due to the U.S. tariffs. While this can change in the future, the factors discussed below can effectively mitigate the uncertainty. To our best knowledge, as of Latest Practicable Date, only an immaterial portion of its customers in terms of revenue contribution sell their products exclusively to the U.S. As such, even if a tariff-driven price adjustment mechanism is agreed upon between us and our customers, only a limited portion of the sales will be impacted even if the proportion of products being imported into the U.S. from China by our customers remains at the level in 2024.

(c) Mitigating U.S. tariff impact

There is highly flexible and abundant manufacturing capacity available in international markets for the types of products we offer. For example:

- Our IFPDs can be produced using existing television production lines, which are widely available and capable of being adapted to our specifications.

- Our LCD controller boards are manufactured in standard electronics manufacturing facilities with PCB (printed circuit board) assembly capabilities, which are common and not highly specialized. These facilities generally utilize SMT (surface mount technology), a widely adopted method across the electronics industry for manufacturing a wide range of products (such as televisions and mobile phones).

Given the global availability of these resources, we are well-positioned to dynamically shift production orders across multiple geographies based on evolving trade conditions and cost considerations. This flexibility enables us to reduce reliance on any single country and minimize the financial impact of U.S. tariff. As mentioned above, our products exported from Vietnam into the U.S. are exempted from such general tariff and therefore the applicable tariff rate is 0%.

Since March 2025, exports from Mexico to the United States have been subject to a 25% "fentanyl tariff," except for goods that qualify for duty-free treatment under the Agreement between the United States of America, the United Mexican States, and Canada (the "**USMCA**"), which remain subject to a 0% tariff. The U.S. will not raise tariffs on Mexico until October 30, 2025, unless a trade agreement is reached earlier. We have not shipped any products from Mexico factory as of the Latest Practicable Date. Our production partner in Mexico is in the process of completing application under the USMCA. Once completed, the applicable tariff to our products would be 0%.

We continue to closely monitor trade negotiations and regulatory developments between the U.S. and other countries and may further expand its production footprint in Vietnam, Mexico or other jurisdictions as part of its strategy to enhance supply chain resilience and manage tariff exposure.

U.S. Export Control Measures

As advised by our legal advisor with respect to U.S. sanctions and export control laws, the products we manufactured and sold during the Track Record Period were not "items" subject to the U.S. Export Administration Regulations (EAR) because our products were not produced or located in the U.S. and were not produced using components, equipment, or technology triggering the relevant de minimis rules or foreign direct product rules.

As advised by our legal advisor with respect to U.S. sanctions and export control laws, our activities during the Track Record Period did not satisfy the substantive elements of a violation or infringement of the relevant International Sanctions in the Relevant Jurisdictions.

As further advised by our legal advisor with respect to U.S. sanctions and export control laws, the products we manufactured and sold during the Track Record Period were not "items" subject to the U.S. Export Administration Regulations (EAR) (because our products were not produced or located in the U.S. and were not produced using components, equipment, or technology triggering the relevant de minimis rules or foreign direct product rules), and our activities during the Track Record Period did not satisfy the substantive elements of a violation or infringement of the relevant International Sanctions in the Relevant Jurisdictions.

We believe there are currently no material constraints on the availability of key raw materials required for the manufacturing of our products, including LCD control chips and display panels.

Supply chain conditions for semiconductor products have significantly improved across the electronics and display industries. In particular, the supply of LCD control chips has become more stable due to expanded production from major foundries, according to Frost & Sullivan. In the future, as Chinese chip manufacturers continue to improve their technologies and expand their production capabilities, the localization of chips is expected to increase, thereby reducing the risk of structural chip shortage and stabilizing chip prices. Similarly, the global market for display panels has seen stable supply, as panel manufacturers have adjusted output in response to more predictable demand patterns, according to Frost & Sullivan.